Thematic report: competence assessment in the private sector
by Natalia Alvarez Bermúdez

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Introduction

This thematic report forms part of the 2014 update to the European Inventory on Validation of Non-formal and Informal Learning (the European Inventory). The updated European Inventory is made up of the following outputs, which together form a ‘snapshot’ of the state of play in relation to validation of non-formal and informal learning (validation) in Europe:

- Country updates covering 33 European countries1;
- 2 case studies providing examples of validation ‘in practice’;
- Eight thematic reports (of which this report is one); and
- A final synthesis report identifying overall findings from the project.

The thematic reports are intended to provide further detail in relation to a number of subjects of central interest to policy makers and practitioners. Using the 2014 country updates and case studies, along with the results of an online survey carried out between 3 October 2013 - 11 November 2013 and other literature relating to the topic of validation of non-formal and informal learning, these reports aim to identify and analyse key issues and trends, as well as examples of good practice and lessons learned in relation to a specific aspect of validation. They are intended for use by stakeholders in the field of validation.

This thematic report will focus on validation in the private sector in Europe, with a key focus on the use of competence assessments within human resource practices and in relation to career development. The report builds on the information captured in the 362 country updates covered by this 2014 update to the European Inventory on the validation of non-formal and informal learning. However, it must be acknowledged that very limited information has been reported on the role of private actors in the country reports. Based on the information provided in the reports; validation appears to be more of an ‘educational aspect’ with the private sector not highly involved. Given this lack of information, this report is also strongly based on the work previously undertaken by Cedefop on the use of competence assessment by enterprises for human resource and career development purposes, which looks at the use of competence assessment in different European companies, providing examples from Denmark, Finland, France, Germany, Ireland, Netherlands, Norway and Spain. The role of the private sector in validation varies considerably among countries, as well as the way in which competence assessment is carried out among companies. Competence assessment takes place in most companies, however, they do not see it as a process of validation and further and there is usually no link to formal or standard procedures, with some exceptions in specific economic sector initiatives in some countries.

The thematic report is structured as follows:

- The role of private sector in validation
- The concept and practice of competence assessment in the private sector
- Rationale and target groups
- The different competence assessment procedures
- Different feedback formats, content and durations
- Outcomes
- Costs and benefits

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1 There are 36 country updates in total, as two reports have been prepared for Belgium and three for the UK, in order to take account of the devolved responsibility for education and training policy in these countries.

2 Covering 33 countries – there are two reports for Belgium and three for the UK
2 The role of private sector in validation

Although validation and skills audits are mainly driven by public administration and the Public Employment Services (PES), the role of private sector actors (including social partners) has been relevant for the development and implementation of validation in many European countries. Based on the 2014 Inventory country updates, in some countries, social partners take part in the development of legislation related to validation. For instance, in Belgium-Flanders, social partners have been increasingly involved in the development of the work experience certificate established in the Flemish employment agreement of 2005-2006, in a decree of a title for professional competence and in the “The competence agenda” agreement between the Flemish government and the social partners (2007-2010). In Flanders, both employers’ organisations and trade unions support validation, because validation recognises the competences gained through work experience and its appropriateness for career development. Most of the sectorial social partners promote the work experience certificate within their sector.

Denmark is another example where the private sector (including social partners) has been involved in the development of legislation and programmes related to validation. In Spain, the private sector has collaborated in the development of validation legislation through their representation in the General Council for VET, a consultative body in the development of validation of work competencies in Spain.

In Belgium-Wallonia, the validation consortium has recently signed sector agreements with social partners for the recognition of skill certificates (e.g. industrial painter certification). Employers are also interested in validation and they have increasingly required validation of their workforce’ competences and the validation consortium offers help to companies. For instance, they offer external assessment of the competences.

In many countries, the role of the private sector and especially social partners is that of informing, promoting and raise awareness about validation opportunities such as in Bulgaria and Spain. In the Netherlands, the private sector funds and raises awareness within sectors and companies; in some instances they are also validation providers. In some cases, the private sector actors also assist in the development of validation programmes (Denmark) and sometimes they are involved in the development of validation projects (Switzerland). In Sweden, they take part in the assessment phase of the validation process or sometimes they perform the whole validation process in cooperation with private education providers.

Across private companies, there does not appear to be common practices regarding validation and competence assessments. Usually, competence assessments are carried out internally and only in some cases external consultants are involved. At the same time, there are not many examples of collaboration amongst companies.

Regarding competence assessments, many private companies have them in place in order to recruit people and to evaluate the performance/training needs of their employees, as well as for career development purposes. The following section looks into the understanding, practice and purposes of competence assessments across Europe.

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3 The validation consortium (CVDC) brings together the five most important public sector training providers and oversees a network of training providers via Validation Centres which organise testing sessions which, when successfully carried out, lead to the issuing of a titre de competences (skill certificate).

4 KMU Forschung Austria (Austrian Institute for SME Research), The use of validation by enterprises for human resource and career development purposes: Case Studies, Cedefop, 2012.
3 The concept and practice of competence assessment in the private sector

From the country reports and the Cedefop study based on validation in enterprises\textsuperscript{5}; competence assessments are mainly used to support human resource management with two purposes:

- Recruitment of new employees;
- Assessment of employees: as an evaluation of their work and to facilitate career development and promotion. It also helps to identify training and recruitment needs. In this way, assessments also contribute to motivate and retain employees.

The use of competence assessment has been reported in some of the 2014 Inventory country updates. For instance, in Austria, certifications of in-company education achievements are important instruments for human resource development in many large companies (for example, Spar Österreich, Porsche Austria, Xerox Austria). Certificates can be acquired based on work experience, in-company training, and/or demonstrating the required knowledge, skills, and competence. However, although these certificates are relevant within the companies, they usually do not have any connection with the formal system of validation.

The situation seems similar in Belgium-Flanders. It has been reported that many companies undertake competence assessments based on job descriptions. Nevertheless, the way companies undertake competence assessment varies considerably and there is not a common format. Usually, company certifications do not lead to recognition outside the company or productive sector.

In Belgium-Wallonia, validation in the private sector has increased since 2010. The Validation consortium has implemented communication strategies to communicate with companies and it offers help to employers, for example, offering external competence assessments of their workforce. This has helped to increase the interest of companies in competence assessments and validation more broadly. Currently, the Consortium is implementing a pilot project in a company (B-Post). It aims to explore if ‘collective’ validation can be used in this case and therefore, be further developed for other companies and sectors too. The goal is to develop a system that allows both employees and employers to benefit from validation.

In Denmark, competence assessment is a common practice among large companies (e.g. Post Denmark and Novo Nordisk Scandinavia), but not among small companies. The Confederation of Danish Employers is interested in the recognition of prior learning, especially for adult education and ongoing training, because this facilitates access to tailor training for each employee and helps shorten the education/training process.

In The Netherlands, a private sector initiative has been awarded the 2013 Observal-Net European Prize for Validation of Non-formal and Informal Learning, in the category of Work Based Competence Development and Recognition\textsuperscript{6}. The initiative was carried out by Rockwool. Further details are provided in the country update for the Netherlands and is summarised below.

**EVC (National System of Validation) at Rockwool, The Netherlands**\textsuperscript{7}

The Rockwool Group is the world’s leading supplier of innovative products and systems

\textsuperscript{5} Cedefop (2014) Use of validation by enterprises for human resource and career development purposes.

\textsuperscript{6} http://www.observal-net.eu/content/work-based-competence-development-and-recognition

\textsuperscript{7} Duvekot, R. 2014 Update to the European Inventory on Validation of Non-formal and Informal Learning: Netherlands - Country Report, Cedefop.
based on stone wool. Since the 1990s learning is a key element in the human resource management-policy of Rockwool. In the Dutch plant in Roermond this HRM-policy can be regarded as an ongoing process of linking learning and working for each individual employee by means of competence-steered assessment methods and work-based development-programmes:

- Assessment is considered as a summative and a formative method for enhancing performance of the employees and the company as a whole.
- Learning goals are oriented towards increasing employability and obtaining qualifications on the one hand for strengthening the working-processes, and on the other hand for creating empowerment and opening up internal/external career-opportunities for the employees.
- Development is focused on facilitating learning trajectories that are beneficial for employability, personal development and internal/external career-steps of the employees.
- EVC is the method for linking the potential of employees with the need for competences. It is utilised as a multi-targeted method for sustainable HRM.

In Iceland, in addition to internal competence assessment, companies encourage their employees to participate in validation. During the validation process; workers benefit from enhanced flexibility during their working hours.

In Bulgaria, based on the limited information currently available, it seems that only a few private sector companies (mostly multinational enterprises) carry out competence assessments. However, their assessment is internal.

4 Rationale and target groups

As explained in the previous section, the main purposes of competence assessment in the private sector are:

- The recruitment of new employees;
- Assessment of employees;
- Identification of training needs of employees;
- Identification of recruitment needs;
- Career development of employees, promotions and adjustment of wages.
- To make employees compliant with the company’s values and culture

In this section, competence assessment for recruiting new employees, for assessing existing employees and different examples of competence assessment in different productive sectors are explained. Furthermore, two examples of European projects that support validation in the workplace are presented below.

4.1 Competence assessments for recruitment purposes

By using competence assessments, employers aim to employ those that best meet the professional and attitude/human requirements. In some companies (as indicated in the Cedefop study on the use of validation by enterprises), external companies/assessors help in the recruitment process, while in others competence assessment processes and methods are developed internally. The following are selected examples of the use of competence assessment for recruitment purposes in different private companies across Europe found in the Cedefop study:

- A construction and civil engineering company based in Northern Ireland (Henry Brothers) developed a combined test and interview process to support the recruitment of workers from abroad. This approach was considered to be more reliable than the interview alone. The process includes an experienced assessor that examines a product made by the applicant. The results are provided to the candidate at the interview and it determines if the applicant is successful and considered as a potential recruit or not.
In Finland, Fiskars Oyj, a global consumer products company, carries out a complete skills evaluation through interviews, skills tests, case exercises and assessing the CV’s. The company uses external consultants for the evaluation of candidates. This is especially the case when they are uncertain of the qualifications of a candidate or when they find difficult to choose between equal applicants.

John Sisk & Son (Ireland) is an international business involved in construction, property, distribution and healthcare. The main instruments used for recruitment are screening of CVs, checking references and interviews. There are differences in the type and level of intensity in the usage of these instruments between the two main staff categories: craft workers and professional service grades. Psychometric testing is used for evaluating some professional service grade applicants.

The MB group in Germany offers services in logistics, quality and project management. It has a 3-stage recruitment phase and it emphasises the professional as well as the personal/human element of the candidates. The following box presents the recruitment process in the company, which is the same for all types of candidates:

### MB group (Germany)\(^8\)

The recruitment process in the MB group in Germany covers the following steps:

- **Recruitment test:** This is a written examination where aspects such as coping with stress or team work capacity are assessed. This test has not been developed by MB, but by the health insurance scheme Barmer Ersatzkasse.
- **Personal interview:** Reference to the test is made and additional questions are asked to evaluate whether the skills, qualifications and experiences of the applicant are suitable for the requirements of the vacant post.
- **Work placement:** Each person to be employed has to complete a work placement. Usually, the contract foresees a duration of two weeks for this placement, because it is considered that two weeks allows sufficient time assessment of the individual. The respective superior is responsible for the assessment. The competences to be evaluated may differ depending on the position/work area of the potential employee. Furthermore, attention is focused on the aspects discussed during the interview. For instance, if the candidate reported to have very good skills on a specific subject, this is to be assessed more rigorously. If the person has not performed well in the first two weeks but there is potential for improvement, the work placement is prolonged for an additional week and then a decision is made.

MG Group provides specific work placements to persons that are in a programme for re-integration into jobs, e.g. after having had a severe accident.

### 4.2 Competence assessments for evaluation of employees

Besides using competence assessments for recruitment of new employees or for recruitment of existing employees into other company positions, competence assessments are carried out for the evaluation of employees. Below, some examples of the use of competence assessment captured in the country reports or and the Cedefop study on the use of validation by enterprises for human resource and career development purposes are presented:

### Competence Assessment at Verdens Gang AS (Norway)\(^9\)

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\(^8\) KMU Forschung Austria (Austrian Institute for SME Research), *The use of validation by enterprises for human resource and career development purposes: Case Studies*, Cedefop, 2012.

\(^9\) Hawley, J. 2014 Update to the European Inventory on Validation of Non-formal and Informal Learning Norway- Country Report, Cedefop, 2014, P.9-10
Verdens Gang AS (VG) is one of Norway’s largest newspapers. It has been piloting the use of competence assessments to help the company to address the digital transformation which is affecting the newspaper industry. Competence assessment is used to support recruitment, training of existing staff, and also to support any restructuring activities the company is required to undertake (i.e. redundancies).

VG has introduced its competence assessment processes with the support of external consultants. They have helped to prepare the questionnaires which are used in the competence assessment process, and bring experience from conducting similar work in other companies.

Employees’ competences, skills and knowledge are assessed through tests and exercises. The grids / catalogues used by VG are based on standard instruments, together with questionnaires which have been designed specifically for the company. These tools assess different kinds of competences and skills, which extend beyond professional competences to also include social elements. Employees are evaluated on the basis of tasks related to their subject area. For instance, journalists are assessed in relation to their knowledge of society. In addition, all employees are assessed according to personality traits, social and behaviour-related competences, such as collaboration and affiliation to the company.

All VG employees have a profile which records the results of their competence assessments. However, no certificates are issued as a result of the competence assessment.

The department manager has access to the profiles of employees within his / her department, which means that the manager can have an overview of the strengths and weaknesses in the department and can give individual feedback and establish goals during performance appraisals.

The competence assessments can also be used to address company-wide needs. For example, as noted above, the assessments are helping VG to cope with the digital transformation affecting the newspaper industry.

Centre Georges François Leclerc (France)  

The Centre Georges François Leclerc is one of the twenty French Comprehensive Cancer Centres (was built in 1967). The Comprehensive Cancer Centres are Private Health Institutions of Public Interest that were created for the research, the oncology teaching and the care for cancer patients.

The main goal of the competence assessment is to facilitate the career development of employees. It also contributes to retain employees which are very important in this sector, because the technical and medical specialisations required uncommon in the labour market. The centre is also obliged to undertake competence assessment, given it is required by the collective agreement among all Comprehensive Cancer Centres, signed in 1999.

There are two main types of competence assessment at this centre:

- “L’entretien annuel d’appréciation” (the annual appraisal interview). These interviews are conducted between each employee and their line manager.
- “La validation des acquis professionnels” or V.A.P. (the validation of professional experience) concerns the non-medical staff and has to follow two steps:

Employees can also ask for a “bilan de compétences” (competence assessment) that does

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10 KMU Forschung Austria (Austrian Institute for SME Research), The use of validation by enterprises for human resource and career development purposes: Case Studies, Cedefop, 2012.
not focus on the competences needed for a specific job, but on all the competences a person has regardless of their position.

The employees’ representatives are informed of the results of the V.A.P. through general statistics every year. Employees can contest assessment results if they do not agree; they can, for instance, ask for the reconsideration of their V.A.P. application.

4.3 Overview of competence assessments in specific sectors:

Across Europe, competence assessments related to validation have been used in different production sectors, ranging from electrical power, construction, engineering or architecture to early childcare or work safety and hygiene and retail trade. Examples of competence assessments have been reported in some of the 2014 inventory country reports:

- In Poland, there has been a validation practice for craftsmen established in 1989, when the Crafts Act (Journal of Laws 1989 No. 17 item 92 with subsequent amendments) stipulated the conditions for carrying out examinations for craftsmen for the certificate of journeyman and master in crafts. These examinations are recognised by employers and State administration at a national level and target young people who have completed VET and adults wishing to validate their knowledge and skills acquired through work experience and informal learning (the latter must have as a minimum a general education certificate at ISCED level 1 or 2).

  Furthermore, validation in other sectors (security, electrical power, work safety and hygiene) is carried out by relevant sectoral bodies and professional associations. These are responsible for issuing state-recognised certificates after training and examinations organised within the respective occupation. In some industries, special standards are set and work-based training courses are recognised by other companies working on that sector (e.g. banking, IT and construction sectors).

- In Sweden, specific validation models for the different sectors have been developed (e.g. the construction model, retail trade model, etc.). Usually, they focus on the extent to which the person/candidate knows a specific occupation or trade.

- In Switzerland, the Foundation of the Swiss Register for engineers, technicians and architects enables people working in those sectors to inscribe in their register without the need of formal qualifications, but based on a dossier that contains their work experience. Although the foundation does not provide individuals with a certificate, it enables them to practice one of the REG professions, according to the corresponding level in the register.

- In the Czech Republic companies are expected to use the National Register of Qualifications (NSK) for further education and training of their workers as well as for recognition of non-formal and informal learning. In 2013, a prize was awarded to companies that innovate in the field of HR using the NSK:
  - An enterprise in the energy sector uses the NSK standards description to recruit staff or during their induction period;
  - An employer in the chemical sector mentions that a qualification from the NSK is valuable, as it means that the person is keen on learning and at the same time this gives employers information about their competences;
  - An early childcare centre uses the qualifications in the NSK to allow their workers to improve their skills and also to show their commitment to the quality of services to parents.
4.4 European projects for supporting competence assessments in the workplace

European projects have aimed to develop and implement competence assessment in the workplace, targeting different groups that need more support. The following are two examples of projects funded by the EU:

- **The project MAGISTER**[^11] targeted SMEs. It looked at creating measures and tools to support family SMEs. The project aims to boost information and knowledge interaction and exchange of the family SMEs in the Metal Sector. The project developed and trialled a transnational intervention model (Guide) allowing family SMEs in the metal sector to identify and valorise knowledge and competences (including those acquired through non-formal or informal learning) and to favour their transfer to future generations.

- **The project I CARE** ([Informal Competences Assessment and Recognition for Employment])[^12] focused on focus on ‘white’ jobs and the profession of caregiver. It aims to transfer to the employment services in the partner countries (Italy, Romania, Netherlands, UK), an innovative procedure for the recognition of non-formal and informal competences, based on a digital portfolio and supporting web-based platform, and integrating this methodology into a Model for the assessment and certification of non-formal and informal competences, related to specific ‘white’ jobs. The project follows on from the TIPEIL – Transfer of an Innovative Portfolio to Evaluate Learning project which was funded by the Leonardo da Vinci programme over the period 2007-2009.

5 The different competence assessment procedures

Regarding the steps and methods used for competence assessment, given that the methods used for recruitment purposes have been explained in the previous section, this section will focus on assessment of employees. As indicated in the Cedefop study and the 2014 Inventory country updates, methods used for assessment seem to differ among companies. In most cases, competence assessment procedures are mandatory, although in some cases, competence assessments do not apply to all workers but only to those in specific positions (e.g. executives, middle managers, young talents). In some cases, it is the employee who can request a competence assessment (see the example of Centre Georges François Leclerc- France above).

Usually and as explained in the Cedefop study, the process comprises interviews with the direct supervisor and in some cases, external consultants and human resources staff are involved in the process. Besides interviews with line managers, there are usually specific tests linked to some job positions to identify potential training needs. Methods differ depending on the company and the job position within the company. Sometimes, in the same company, there may be different methods for different job profiles, although there are usually some common competences that all employees are measured against, such as attitudinal and behavioural competences. An example of this is the Finnish company OP-Pankki:

**OP-Pankki (Finland)**[^13]

OP-Pankki is a local bank in Helsinki which uses expertise cards in order to assess employees. The cards have been designed internally and these are the same cards for

everyone. However, different cards are used for different groups of employees in order to assess their level of expertise. Depending on the area of expertise and work, different emphasis is put on the evaluation and on the cards that are used for the assessment.

The cards are used in the annual performance reviews. In the annual salary meetings, employees are assessed based on their expertise and performance while in the monthly sales/basic meetings no certain model of evaluation is used. These meetings are based more on acute issues like how the employee has been doing and has he met his/her goals.

The Deutsche Bahn Group (Germany), a mobility and logistics company, is another example where common competences are measured for all employees and specific ones for specific employees:

**Deutsche Bahn Group (Germany)**

The common competences are based on the mission statement of the company and all employers are measured based on the following 5 behavioural indicators:

- **Customer oriented**: with behavioural indicators such as: The employee actively approaches customers to clarify customer wishes and needs; cultivates customer relationships and contributes to improvements; reacts fast and appropriate to immediate customer needs; finds an optimal balance between the fulfillment of customer wishes and economic interests of the company.
- **Thinking and acting economically**
- **Willingness to embrace change**
- **Ability to communicate and cooperate**
- **Readiness to take on responsibility**

Besides these five, there are also activity- **professional and methodological competences** that are specific for different types of employees. For instance, the following would be measured for the profile of shunting locomotive driver, vehicle provider at DB Regio AG:

- **train run**
- **shunting**
- **vehicle technology in general**
- **safety of passengers and personnel**

The following examples show different systems for assessment:

- **The Formedil System** for the assessment and certification of competences in building sector in Italy. The assessment of competences is made up of the Certification of competences as part of the formal paths and the validation of learning. The process of assessment is carried out in the vocational centres of the sector (also called buildings schools-there are more than 95 in Italy) and it includes:
  1. Competences repertory,
  2. Training sector repertory,
  3. Worker personal transcript,
  4. Database of training activities in the building industry.

- **The Institute of Conservation (ICON) in the UK** has a process named the Professional Accreditation of Conservator-Restorers (PACR), which allows for the recognition of


15 [http://www.formedil.it/](http://www.formedil.it/)
professional competence of people by setting professional standards that applicants have to meet at a high level against criteria relating to knowledge, standard of work, autonomy, coping with complexity and perception of context. Potential applicants are encouraged to work with a mentor, who will generally provide support by e-mail and/or telephone. The assessment process is made up of two stages. First, the applicant is required to submit an application form with information about examples of their work to the Accreditation Committee. If this first stage is successful, the applicant is then required to undergo an assessment by two assessors (one from the applicant’s discipline and one from another area). The assessment takes the form of “a dialogue” and “a peer review process” rather than a test or interview. It takes place over a full working day, during which the applicant is encouraged to talk about each of their projects. The assessors relate the evidence to the standards and then make a recommendation to the Committee. More than 40 practitioners receive accreditation each year through the PACR process.

The following is an example of the use of **electronic tools** for competence assessment:

- **The Poultry Passport Scheme (UK)**\(^{17}\) is an online system for organisations with information on the training completed by their workers as well as contracting organisations. This helps organisations to assess and plan the training, skills and workforce needs. This skills passport, through a web portal that specifies the requirements for various jobs at different levels, it enables workers to have their competencies assessed and recorded as they progress through different job roles. Importantly, the workers can take the Passport to another employer in the industry. The scheme has benefits for both the employees and the employers: employees can develop a sense of pride in their achievements, particularly if they have never achieved a qualification before and they can map out a career path and identify their skills gaps; employers can better plan and run training courses, thereby reducing the administration burden and saving costs because training does not need to be repeated, and they can show that they are complying with standards, legislation and insurance requirements, as well as keeping up with good practice. Over 4,000 poultry farmers/workers are now registered on the poultry passport web portal.

### 5.1 The role of employee representatives

The role of employee representatives is explored in the Cedefop report on the use of validation by enterprises for human resource and career development purposes. Regarding involvement of trade union representatives; in some cases this does not take place (e.g. in the contact centre Lanalden in Spain\(^{18}\)) or no information has been reported in the sources consulted for this report. There are examples where, although employee’s representatives are not involved in the design and implementation of the competence assessments, they have been informed and have validated the reference framework, accepting and agreeing with the process (Eiffage Construction, France\(^{19}\)).

In other companies employee representatives have been involved in the design and development of competence assessments. In Atradius\(^{20}\), a finance and insurance service company from The Netherlands, employee representatives have been involved in establishing the purposes of the assessments, the competences to be assessed and the

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\(^{16}\) Hawley, J. 2014 Update to the European Inventory on Validation of Non-formal and Informal Learning Country Report- UK (England and Northern Ireland), Cedefop.

\(^{17}\) Hawley, J. 2014 Update to the European Inventory on Validation of Non-formal and Informal Learning Country Report- UK (England and Northern Ireland), Cedefop.


\(^{19}\) Ibid

\(^{20}\) Ibid
methods to be used. In Deutsche Bahn AG – DB\textsuperscript{21} (Germany), a trade union was involved since competence assessments were established (in 2001) and this has helped in the success of the implementation process and gaining support from employees.

In some companies, there is no presence of employee representatives. However, examples of consultation with employees of all types of positions within the company have been reported (e.g. Jo Tankers-Netherlands\textsuperscript{22}).

6 Different feedback formats, frequencies, durations and content:

Regarding frequency, usually, and following the information provided in the Cedefop study on the use of validation by enterprises, competence assessments take place on a regular basis in all companies: every two years, annually or every 6 months. The most common assessment seems to be the annual appraisal review, which in the case of some companies is a legal duty (Mutuelle Nationale Territoriale, France). In most cases, the annual reviews are combined with weekly/monthly meetings with supervisors. For instance, in the company Koivupirtti, the performance reviews are carried out once a year for every employee; additionally, every two weeks “feedback is given in personnel meetings when customer feedback and other feedback are analysed”\textsuperscript{23}.

In terms of duration, the only information was reported for the annual appraisal review of the Centre Georges François Leclerc (France), which takes place between 1 January to 30 April every year.

Results of the assessment are in most cases documented and kept in the HR department (either in paper or electronically). Employees usually have access to them, although this is not always the case. For instance, in the French Mutuelle Nationale Territoriale, records of the results of competence assessment are not kept and certificates of a certain level of competences obtained by employees are not issued. Some examples of the documentation process are presented below:

- St. Vincent’s University Hospital (Ireland) documents all the results of assessments (and any relevant background notes) undertaken in relation to recruitment and internal promotions. The documentation comprises, for example, the scores that the interview panel members give to the candidate for each competency assessed, as well as explanation of each competency. Workers can access all the records and information of their personal file.
- In Jo Tankers (Netherlands) employees receive a copy of their form and the company keeps a dossier with assessment records for each employee.
- In Groupama Seguros (Spain), the results of competence assessments are always documented and employees can access the results. The results of directives and middle managers are registered in a predefined document: one copy is for the employee, one for the supervisor and one for Human Resources. The information contained is also kept electronically.

The fact that the process is documented in most companies, nevertheless, does not lead to certifications. In some cases, such as in the company Jo Tankers, assessment does not lead to certifications, but certificates are provided upon completion of in-company trainings. Once the employee leaves the company, Jo Tankers provides attestations. In the case of Koivupirtti (housing services for the elderly) in Finland, employees do not receive certificates from the competence assessments, but nurses can receive certificates based on their skills.

\textsuperscript{21} Ibid
\textsuperscript{22} KMU Forschung Austria (Austrian Institute for SME Research), The use of validation by enterprises for human resource and career development purposes: Case Studies, Cedefop, 2012.
\textsuperscript{23} Ibid
These comprise the right to give out medicine or to give vaccinations after a training period and an evaluation performed by a doctor.

7 Outcomes:

The main outcomes of competence assessment lead to:

- Recruiting the best people;
- Increase the competitiveness of the companies and their workers by:
  - Adjustment of wages, staff / talent-scans and for benchmarking (comparing an employee’s wage with wages of employees in the same job-level).
  - Promotion and career development
  - Make employees conscious of their skills, those aspects where they are stronger and those that could be improved.
  - Developing a training programme for the employee, based on his/her skill needs.

When competence assessments are carried out with a formative purpose, employees’ motivation is likely to increase and employee turnover is likely to decrease. This aspect is highlighted in the description of the Centre Georges François Leclerc-France made in the Cedefop study on the use of validation by enterprises. The main purpose in the centre is to use competence assessment to facilitate the career development of employees in order to retain them. Avoiding a high turnover is especially important in this cancer centre because it is not easy to find people that satisfy the technical and medical specificities required.

8 Costs and benefits

Regarding costs, there is no data available in monetary terms. Nevertheless, from the sources consulted, it seems that competence assessment is very time consuming for staff (employees, supervisors and HR) and therefore, this implies high human resource costs. However, the benefits of undertaking competence assessments seem to be higher. For instance, the cost of employees’ training can be reduced. In Finland, for example, private companies have encouraged their employees to validate the competences gained at work but also outside work. In this way, workers would only have to take training in those areas that are not validated, which reduces time and training costs of both employers and employees.

From the sources consulted, in general, employee representatives, even if not involved in the process, support competence assessment or do not find it inappropriate. With regard to the acceptance among employees and from the information extracted from the Cedefop study, employees seem to be satisfied with competence assessments. For instance, in Groupama Seguros (Spain), employees “understand that these practices aim at personnel development and career progress, so they see these processes as something positive, which will improve their position in the company. In another Spanish company (Lanalden), employees also accept assessment processes, “provided that they feel that the results of the evaluations are used for improving their performance, rather than penalising weak points and mistakes”. Competence assessments are very beneficial also for young workers, as besides being recognised for their work, they can see themselves into a career path where they express their expectations and get to know how to progress inside the company or their sector/profession.

24 KMU Forschung Austria (Austrian Institute for SME Research), The use of validation by enterprises for human resource and career development purposes: Case Studies, Cedefop, 2012.
25 Ibid
In this sense, competence assessment can have advantages for employees that want to move on to other employment opportunities. For instance, Verdens Gang AS (a Norwegian daily newspaper) does not issue certificates following the competence assessment. Nevertheless, "certificates from other companies confirming relevant qualifications of the new employees are taken into consideration during recruitment and are seen as useful evidence"26.

9 Summary and conclusions

This thematic report, together with the information provided in the 2014 country updates, provides an overview of the role of the private sector in the validation of non-formal and informal learning across Europe. Furthermore, it offers information and examples of the use of competence assessment in different European countries and specific companies. However, as indicated in the introduction, there is limited information on the role of private actors in the 2014 country updates. As such, this report is exploratory by nature.

The involvement of the private sector actors for validation arrangements across Europe varies, from some countries where they have been involved in the development and implementation of validation (e.g. Belgium, The Netherlands, Denmark or Sweden), to others where their involvement has not been reported (Greece, Estonia, Malta, Portugal, etc.).

When looking at competence assessments in the private sector, these tend to take place in most companies and are mainly used for the recruitment of new employees and assessment of existing employees. However, these are not seen as embedded in the process of validation. Competence assessments are usually carried out internally. Even if external consultants are involved, there is usually no link to formal/standard procedures, with some exceptions in specific economic sector initiatives in some countries.

Usually, competence assessments for employees take place annually and assessment methods differ among companies and among labour market sectors, although most employees are assessed based on behavioural and professional competences. In most cases, assessments comprise interviews with supervisors and in some cases, there are specific tests carried out, especially for technical positions. The results of the assessment are usually documented, but in most cases these are kept for internal records (that employees can consult), without providing a certificate as a result.

The lack of information related to the costs linked to the process does not allow for a conclusion on this aspect; nevertheless, competence assessments seem to be positive both for employers and employees. The process allows for career development and it makes employees conscious of their weaknesses and their strengths, both in terms of behaviour/attitudes and professional/technical skills. At the same time, assessments help employers to evaluate the work of their employees, to identify training and recruitment needs and develop training plans.

Finally, given the limited data available, it would be important to further explore the role of private sector actors in validation and to clearly define the meaning of competence assessments.

26 KMU Forschung Austria (Austrian Institute for SME Research), The use of validation by enterprises for human resource and career development purposes: Case Studies, Cedefop, 2012. P. 82
10 Bibliography

In addition to the information collected from the country reports of the European inventory 2014, the following source has been extensively used to inform this report:


KMU Forschung Austria (Austrian Institute for SME Research); Cedefop (2012). *The use of validation by enterprises for human resource and career development purposes: Case Studies*. 