

TRAINING METHODS STRATEGIES ACROSS EUROPEAN COMPANIES

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Abstract

A company's competitiveness is influenced by a number of factors, including the suitable training strategy. The effectiveness of a company's training strategy is significantly affected by methods of employee development, among other things. Therefore, this article focuses on which employee development methods are chosen by European companies. Based on a literature review and an analysis of secondary data, the structure of employee development methods in European enterprises is examined. The attitude of firms is analyzed in terms of the use of each method over time from 2005 to 2020 and in terms of firm size. The article provides important insights for further scientific research with regard to the necessity to select appropriate employee development methods. Matching the method with the companies' requirements can bring an effective training strategy and increase the competitiveness of European companies.

Keywords

Corporate training; Training methods; CVTS; Employee development; Employee training.

Introduction

Employee training is a fundamental component of organizational development, significantly impacting employee performance and organizational outcomes (Ambasz et al., 2023). Corporate training positively influences employee involvement and continuous improvement within organizations (van Assen, 2021). However, the effectiveness of training can be influenced by various factors such as participants, training methods, objectives, materials, and environment (Hidayat & Aziz, 2022). Training not only improves employee skills but also contributes to organizational effectiveness and competitive advantage (Abu Rumman et al., 2020; Alipour et al., 2009). The impact of corporate training on employee performance has been highlighted in various sectors, for example, in the retail industry (Timsal et al., 2016) and the textile industry (Adula et al., 2023). Effective training methods can enhance a company's sustainability (Bilderback, 2023).

The aim of the research is defined in the first section and is closely related to training strategies from the point of view of training methods used in European companies. In the second section of this article, different categories of training methods are mentioned, with a focus on the division between on-the-job and off-the-job methods. This attitude is aligned with the European Continuous Vocational Training Survey (CVTS) (EUROSTAT, 2023a), which is described in the section about methodology in more detail. CVTS covers almost all European countries related to employee training. Last CVTS involved 113,000 European

enterprises with more than nine employees. All findings to the three main research questions mentioned in the methodology are discussed in the section of results.

1 Research Subject

This article aims to investigate the training methods for employees in European companies. It concerns company training strategy from the point of view of training methods. The choice of training methods can influence how effective the employee training will be (Hidayat & Aziz, 2022). This decision can also furthermore influence employee performance (Ambasz et al., 2023) and, therefore, the company's overall performance (Alipour et al., 2009).

2 Training Methods

Enterprises help to adapt their employees to technological change while trying to provide them with a suitable working environment to make the business competitive (OECD, 2021). The pandemic has tested many companies on how they can respond to change (Urbancová & Vrabcová, 2023). There has been a significant reduction in corporate training participation due to the COVID pandemic and many companies have reduced their training activities (OECD, 2021). Corporate training can be approached from different perspectives.

2.1 Formal or Informal Training

Formal training includes activities provided by schools or training organizations that are state-recognized educational institutions. The program has a specific curriculum designated and delivered by teachers (Hager, 2012). Formal education forms basic and general knowledge and skills and is mainly focused on the social development of the individual. All other educational activities are defined as informal education or informal training (Koubek, 2012).

2.2 General or Specific Vocational Training

Becker (1993) distinguishes between general and specific corporate training. Competencies improved by general training could be used in different companies. Specific training is valuable only to the company that provides training. It cannot be used in another enterprise. It does not increase the productivity of the worker in another enterprise (Becker, 1993). At the same time, Becker (1993) admits that there is not a pure form of general or specific training. Specific or vocational training forms specific knowledge and skills associated with a particular job. It includes a combination of different competencies required by the enterprise (Koubek, 2012).

The European Statistical Office (Eurostat) defines continuing vocational training (CVT) in companies as

“training measures or activities with the primary goal of acquiring new skills or enhancing existing ones. These activities should be at least partially funded by the company for their employees who have a working contract, or who directly contribute to the enterprise, such as unpaid family workers and casual workers. Persons employed holding an apprenticeship or training contract should not be taken into consideration for CVT. The training measures or activities must be planned in advance and must be organized or supported with the special goal of learning. Random learning and initial vocational training (IVT) are explicitly excluded” (EUROSTAT, 2023a).

2.3 Training Strategies According to Methods

Training of employees can be delivered through various methods. Some authors categorize it into two types: on-the-job and off-the-job training (Abu Rumman et al., 2020; Alipour et al., 2009; Timsal et al., 2016). European Statistical Office (Eurostat) divides into five main training methods in European companies (EUROSTAT, 2023a). From this point of view, there are the following training methods delivered in European companies:

1. *CVT courses* – mostly separated from the active workplace with a high degree of organization (time, space, and content). The content is designed for a group of learners and is delivered by a trainer or a training institution. CVT courses are organized by the enterprises themselves, called internal CVT, or by external institutions or trainers (external CVT courses).
2. *Guided-on-the-job training* – planned activity tailored according to the learners' individual needs connected to the active workplace.
3. *Job rotation, exchanges, secondments, or study visits* – meaning a change of job or position within a company, which can be permanent or temporary.
4. *Participation in conferences, workshops, trade fairs, and lectures* is an employee training method characterized by instruction received in a formal form.
5. *Learning or quality circles* – presents meeting with colleagues from different departments characterized by the mutual exchange of knowledge within the company,
6. *Self-directed learning* – is often characterized by a degree of self-organization, such as time, space, or content, by the individual learner or by a group of learners. Include all types of e-learning, another similar form that encourages individuals to take responsibility for their learning needs to improve performance in their current job or to develop their future potential.

3 Methodology

This research on employee training methods in companies is based on a literature review of research articles from the Web of Science, Scopus, Research Gate and Scite databases. The original broad topic was narrowed by the following research questions:

- *What training methods are used in the European companies?*
- *Is there any difference in using training methods according to company size?*

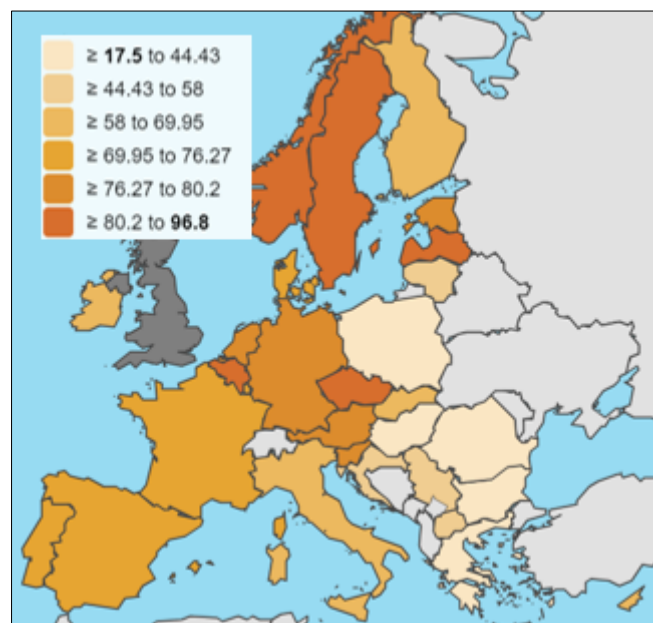
The main outputs of the literature review are mentioned in the Introduction and Chapter 2 of this article. The literature review was conducted in the context of the PRISMA method, which is an appropriate tool for scientific articles (Page et al., 2021). Using keywords, scientific articles written in English text were systematically filtered from three above-mentioned databases. Selected scientific articles were saved and investigated using Zotero software. The basis for the literature review were keywords “Employee”, “Training”, and “Method”. To answer the research questions, the literature review was extended by the secondary data analysis that provides new insight to the topic. Basic information about dataset are mentioned in the following Subchapter 3.1. All findings from literature review and secondary analysis are discussed in Chapter 4 and summed up in Conclusion.

3.1 Secondary Data Analysis

The Continuous Vocational Training Survey (CVTS), coordinated by Eurostat in five annual cycles, has been a long-established European survey on the topic of employee training in

European countries (EUROSTAT, 2023a). It covered 113,000 enterprises with more than nine employees from 29 European countries in 2020 in total (EUROSTAT, 2023b). The last aggregated results of the last survey, CVTS6, were published in 2022 and related to the reference year 2020 (EUROSTAT, 2022). Thanks to the long-term data collection, this survey also allows us to reflect on different strategies for employee training in European companies.

Figure 1 shows the situation of how companies in different European countries develop their employees based on CVTS6 (EUROSTAT, 2023b). The larger the number, the more saturated the color in the figure. The number represents the proportion of companies planning at least one training activity for their employees in 2020. Figure 1 shows that Latvia provided the most CVT-planned activities in Europe (96.8%), followed by Norway (93%), Sweden (91.5%), the Czech Republic (85.9), and Belgium (82.2%). The lowest percentage was in Romania (17.5%), followed by Greece (17.8%), then Hungary (37.7%), Poland (40.9%) and Bulgaria (45.1%). The average for the EU in 2020 was 67.4 % of enterprises that planned at least one training activity for their employees.



Source: Own based on (EUROSTAT, 2023b)

Fig. 1: Provision of training activities in European companies in 2020 according to the training intensity in enterprises in percentage

4 Results

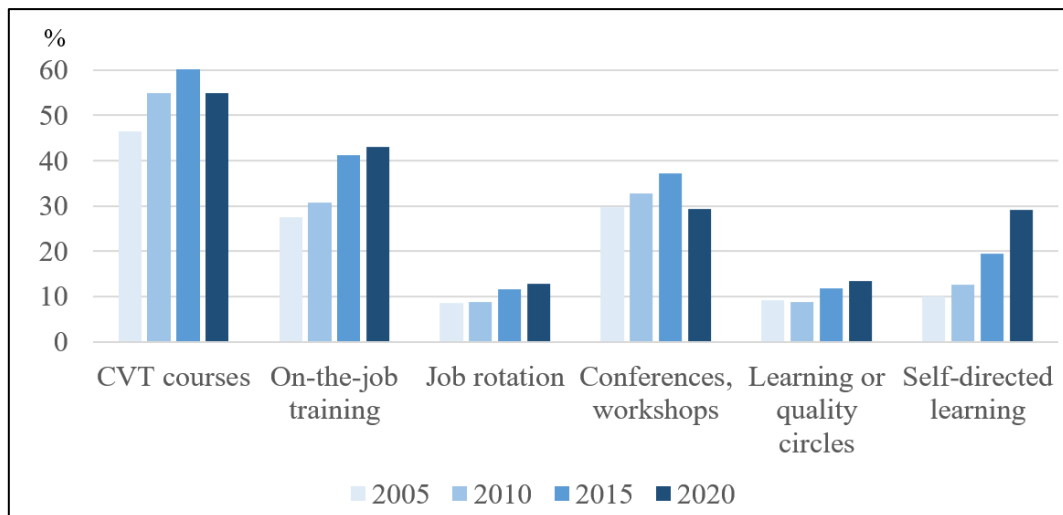
The company is fully responsible for its training strategy. Following the research questions, the first subchapter of results deals with the choice of training methods used by European companies from a time perspective. The second subchapter deals with the training methods used by European companies according to different company sizes based on employed persons.

4.1 Training Methods of European Companies over Time

Each company can choose its strategy for training its employees (Abu Rumman et al., 2020; Alipour et al., 2009; Timsal et al., 2016). The latest results of a Europe-wide survey of 113,000 businesses showed that most companies choose the CVT course method for their employee development (EUROSTAT, 2023b).

Figure 2 shows the time evolution of the preference for the selected methods in European companies between 2005 and 2020. CVT courses are the most preferred method for employee

training. Although it has seen steady growth up to 2015, by 2020 there has been a decline from 60.2% in 2015 to 54.9% in 2020. In addition, the methods connected to conferences and workshops showed the same trend, with a decrease of 7.8% between 2015 (37.2%) and 2020 (29.4%). The decrease was significantly influenced by the COVID-19 pandemic (OECD, 2021). The other training methods have an increasing trend in corporate training between 2005 and 2020. The self-directed learning, which includes e-learning, has seen the highest growth of 9.6% in 2020 (29.1%) compared to 2015 (19.5%). However, other methods in European companies, such as job rotation, learning, or quality circles, also grew slightly. In the case of job rotation, 14.7% of companies used this method in 2020, while 13.4% of European companies used learning or quality circles.



Source: Own based on (EUROSTAT, 2023a)

Fig. 2: Training methods in European companies in the timeframe 2005 to 2020 in percentage

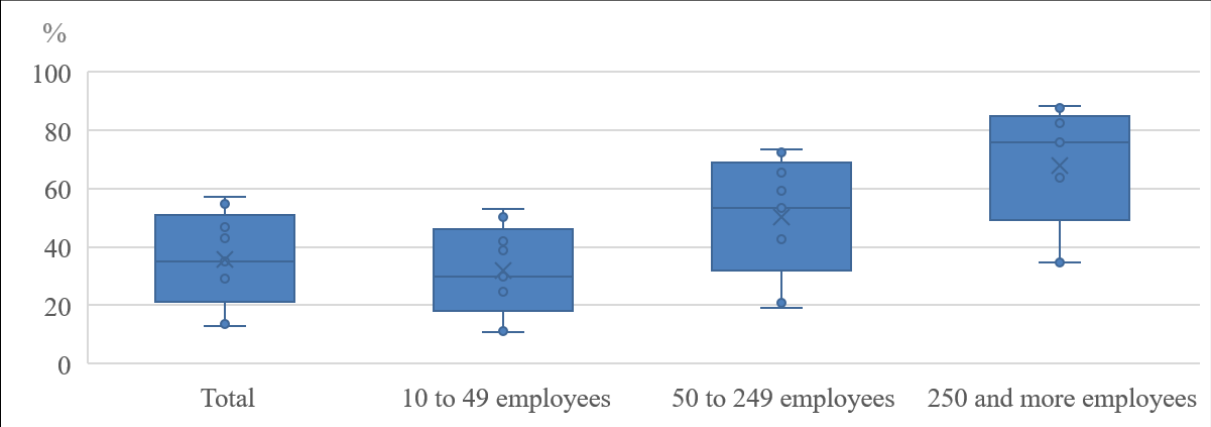
To sum it up, Figure 2 indicates the increasing diversity in the training methods of employee development in European companies. The selection of methods reflects the trend of more personalized corporate training (Chen et al., 2024). However, the question is whether this trend is the same across companies of different sizes, the answer to this second research question brings the next subchapter.

4.2 Training Methods in Europe According to the Company Size

The size of the company also influences the attitude of the company towards the training activities of its employees. Especially small firms, which have 10 to 49 employees, train their employees less than medium or large enterprises. In line with the findings of Maršíková et al. (Maršíková et al., 2019), small companies need to develop a strategic approach to employee training. The most frequent reasons for not training their employees are that they often consider the competencies of their employees to be sufficient or that the acquisition of new competencies of employees is solved mainly by recruitment, as shown in previous authors' research (Trávníčková & Maršíková, 2023a).

The number of small businesses affects the overall outcomes for all businesses, which is in line with previous author research (Trávníčková & Maršíková, 2023b). Figure 3 illustrates it too. The lower quartile of total European companies is 21.25%, which means that about a fifth of 25% of all firms provide employee training. The lower quartile of small enterprises is only 18%. The upper quartile of total companies is 50.85%, and the upper quartile is 46.1% of

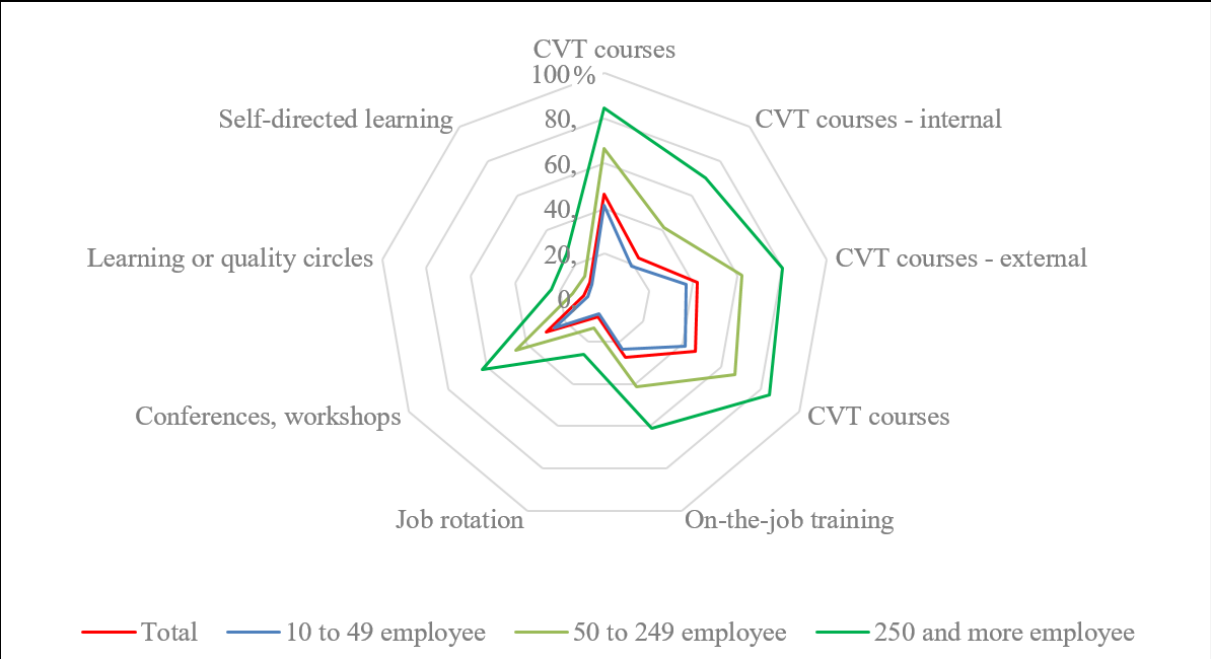
small companies. The median for all European firms is at 35%, whereas the median for small firms is at 29.9%.



Source: Own-based on (EUROSTAT, 2023a)

Fig. 3: Providing corporate training in European companies according to size in 2020 in percentage

Figure 3 further shows that large firms develop their employees the most. For large companies, the upper quartile was at 84.95%, and the lower quartile 49.3%. The median for large businesses was 75.8%. The top quartile of medium-sized companies was 68.86%, the bottom quartile 31.8%, and the median at 53.4%. From this perspective, medium-sized European companies provided the highest variety of employee development methods compared to small or large companies.



Source: Own-based on (EUROSTAT, 2023a)

Fig. 4: Training methods preference according to size in percentage

Figure 4 illustrates what employee training methods were used in different-sized European companies. The proportion of the use of each method was similar in companies of the size of small and medium-sized enterprises. However, Figure 4 shows that large companies used more internal training for their employees than small and medium-sized companies. In total, 70% of large companies used the method of internal training. This might be an inspiration for

other small and medium-sized companies. Only 41.3% of medium-sized companies and 19% of small European companies use the method of internal courses. To increase the share of this training method, small and medium-sized companies can use, for example, the competencies of new employees who can train already existing employees. As mentioned in Chapter 4.2. recruiting new employees with the required competences is one of the strategies used by small companies instead of training. After the adaptation of a new employee, the firm should extend the new competence to other employees using the internal training method. This will increase the number of firms that train even despite the fact that the firm's resources are limited and they cannot afford to train their employees from external sources.

The methods of job rotation and learning or quality circles require sufficient job vacancies and qualified staff for the training method. Job rotation was used by 26.2% of large enterprises, 13.8% of medium-sized enterprises, and 6.9% of small enterprises, so overall, only 8.5% of European enterprises, on average, used the job rotation method. The average for learning or quality circles was 7.6% for all European enterprises, with 16.2% of large enterprises using this method.

The biggest difference between large and small enterprises was in the case of planned development activities in the form of on-the-job. Large enterprises used this method intentionally in 60.9% of large companies, while only 23.8% of small companies. In total, 27.9% of all European companies used on-the-job methods.

In the case of self-directed learning, only 9.9% of European companies reported this method as a planned training activity in 2020. Again, there was an influence of small companies, where only 8.6% of small companies used this method, while over a quarter of large companies (26%) used self-directed learning. With the progressive digitalization and the availability of online learning, it is expected to increase for all companies as online learning becomes more and more available and used in companies (Armstrong, 2022).

The results presented in Figures 3 and 4 provide important information about the training methods strategies in European companies. The proportion of methods used is similar across firms of different sizes. Large enterprises stand out in the use of CVT courses, in particular in the internal form, which could be stimulating for other enterprises.

Conclusion

The literature review revealed that employee development is essential for the competitiveness and sustainability of a company. The choice of training methods can influence the effectiveness of an enterprise's training strategy. Based on these findings, secondary data analysis was conducted. The source of secondary data was the European Corporate Training Survey, for which Eurostat is responsible. The advantage of this dataset is the possibility to compare the data over time, specifically between the reference years 2005, 2010, 2015, and 2020. In total, 113,000 firms with more than 9 employees participated in the last reference year 2020. The data analysis showed that the most used methods of employee development in European companies were CVT courses, which were delivered by external or internal trainers. Particularly, the small companies should strengthen their planning of internal training. They can use the competencies of new employees who can provide internal training for other employees. Moreover, only one-fifth of small companies reported guided on-the-job training as a planned development activity for their employees. The method of self-directed training, often represented by e-learning, also has great potential, which is demonstrated by the greatest increase over time in training methods in European companies.

Despite the limitations of the research and CVTS dataset, the findings show a need to focus more on the choice of training method in the company. The appropriate selection of employee

development methods will affect the effectiveness of the training strategy as well as the competitiveness of the whole enterprise. Therefore, this article provides valuable suggestions for other scientific research, such as an investigation of which employee development methods are suitable for companies and their employees.

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METODY ROZVOJE ZAMĚŠTNANCŮ V EVROPSKÝCH PODNICÍCH

Konkurenceschopnost podniku je ovlivněna řadou faktorů, včetně vhodného výběru strategie týkající se firemního vzdělávání a rozvoje zaměstnanců. Efektivita firemní vzdělávací strategie je ovlivněna mimo jiné výběrem metody rozvoje zaměstnanců. Tento článek se tedy zaměřuje na téma, jaké metody rozvoje zaměstnanců si vybírají evropské podniky. Na základě literární rešerše a analýzy sekundárních dat je zkoumána struktura metod rozvoje zaměstnanců v evropských podnicích. Postoj firem je analyzován jak z pohledu použití jednotlivých metod z pohledu času v období 2005 až 2020, ale i z pohledu velikosti firmy. Článek přináší důležité východiska pro další vědecké zkoumání, ale i nutnost vybírat vhodné metody rozvoje zaměstnanců v souladu s potřebami firmy. Sladění těchto potřeb může přinést efektivní vzdělávací strategii, ale také zvýšit konkurenceschopnost evropských podniků.

METHODEN DER ENTFALTUNG DER ANGESTELLTEN IN EUROPÄISCHEN UNTERNEHMEN

Die Konkurrenzfähigkeit des Unternehmens wird von einer Reihe von Faktoren beeinflusst, zu welchen die Wahl einer geeigneten Strategie gehört, welche sich auf die firmeninterne Weiterbildung und Entwicklung der Angestellten bezieht. Die Effektivität der firmeninternen Bildungsstrategie wird unter anderem von der Wahl einer Methode der Angestelltenentfaltung beeinflusst. Dieser Beitrag befasst sich mit dem Thema, was für Methoden der Entfaltung der Angestellten von Firmen im europäischen Kontext gewählt werden. Auf der Grundlage von Literaturrecherchen sowie der Analyse von Sekundärdaten wird die Struktur der Methoden der Entfaltung der Angestellten in europäischen Unternehmen untersucht. Die Analyse der Haltung der Firmen erfolgt sowohl aus der Sicht der Verwendung einzelner Methoden in Bezug auf den Zeitraum von 2005 bis 2020 als im Hinblick auf die Firmengröße. Dieser Artikel liefert wichtige Ausgangspunkte für weitere wissenschaftliche Untersuchungen, weist aber auch auf die Notwendigkeit der Auswahl einer geeigneten Methode der Angestelltenentfaltung in Übereinstimmung mit den Bedürfnissen der Firma hin. Die Harmonisierung dieser Bedürfnisse kann eine effektive Bildungsstrategie mit sich bringen, aber auch die Konkurrenzfähigkeit europäischer Unternehmen erhöhen.

METODY ROZWOJU PRACOWNIKÓW W EUROPEJSKICH PRZEDSIĘBIORSTWACH

Na konkurencyjność przedsiębiorstwa wpływa wiele czynników, w tym odpowiedni wybór strategii dotyczącej kształcenia w przedsiębiorstwie i rozwoju pracowników. Na skuteczność strategii szkoleniowej przedsiębiorstwa wpływa między innymi wybór metody rozwoju pracowników. Niniejszy artykuł skupia się zatem na tym, jakie metody rozwoju pracowników są wybierane przez europejskie przedsiębiorstwa. Na podstawie kwerendy literatury i analizy danych wtórnych zbadano strukturę metod rozwoju pracowników w europejskich przedsiębiorstwach. Postawa firm jest analizowana zarówno pod względem wykorzystania poszczególnych metod w czasie w okresie od 2005 do 2020 roku, jak i pod względem wielkości firmy. Artykuł stanowi ważną podstawę dla dalszych badań naukowych, a także wskazuje na konieczność doboru odpowiedniej metody rozwoju pracowników zgodnie z potrzebami przedsiębiorstwa. Dopasowanie tych potrzeb może przynieść skuteczną strategię szkoleniową, ale także zwiększyć konkurencyjność europejskich przedsiębiorstw.