

Dossier

STOP STANDING STILL

With the tightening of corporate belts, companies and individuals alike are investing in the most precious commodity of all: their staff and themselves.

Brian Power (text), Eric Chenal / Blitz (photos)

The value of training has become increasingly important to the Luxembourgish economy, and the crisis will not cause this to stop being the case. Paul Emering, of the Institut de Formation de la Chambre de Commerce (IFCC), Christiane Hoffmann, of the Chambre des Métiers, Dominique Matera of the Institut National pour le développement de la Formation Professionnelle Continue (INFPC) and Fouad Rathle, of the Institut de Formation Bancaire de Luxembourg (IFBL) highlight what their organisations are doing, what they offer and the importance of training for the future.

VITAL BANKING PRODUCTS

"Prior to the financial crisis, training was becoming more and more important anyway," says Fouad Rathle, president of the IFBL, which exists to provide "financial training on a very broad range of topics, starting from entry-level courses in the banking sector to extremely sophisticated courses in wealth and portfolio management." Like other training bodies, the IFBL is changing with the times and perhaps seeing a slight adjustment in the profile of its clients. Rathle observes a rise in demand for courses in both microfinance and Islamic banking, while there is also a notable increase in learner proactivity: "staff are taking a long-term view, just as companies are. When things pick up again, there will be a need to hit the ground running," he states, lauding clients' intentions of undertaking training of their own free will. Companies are also seeing the advantages of training as opposed to hiring personnel externally, and Rathle insists that the evolution in figures of the IFBL supports this prevailing view: "our figures for course registrations are down 8% on 2008,

which was an exceptional year. It's quite telling that current figures are up 2% on 2007. In terms of exams taken, we are down 1% from last year, but up a staggering 54% from 2007."

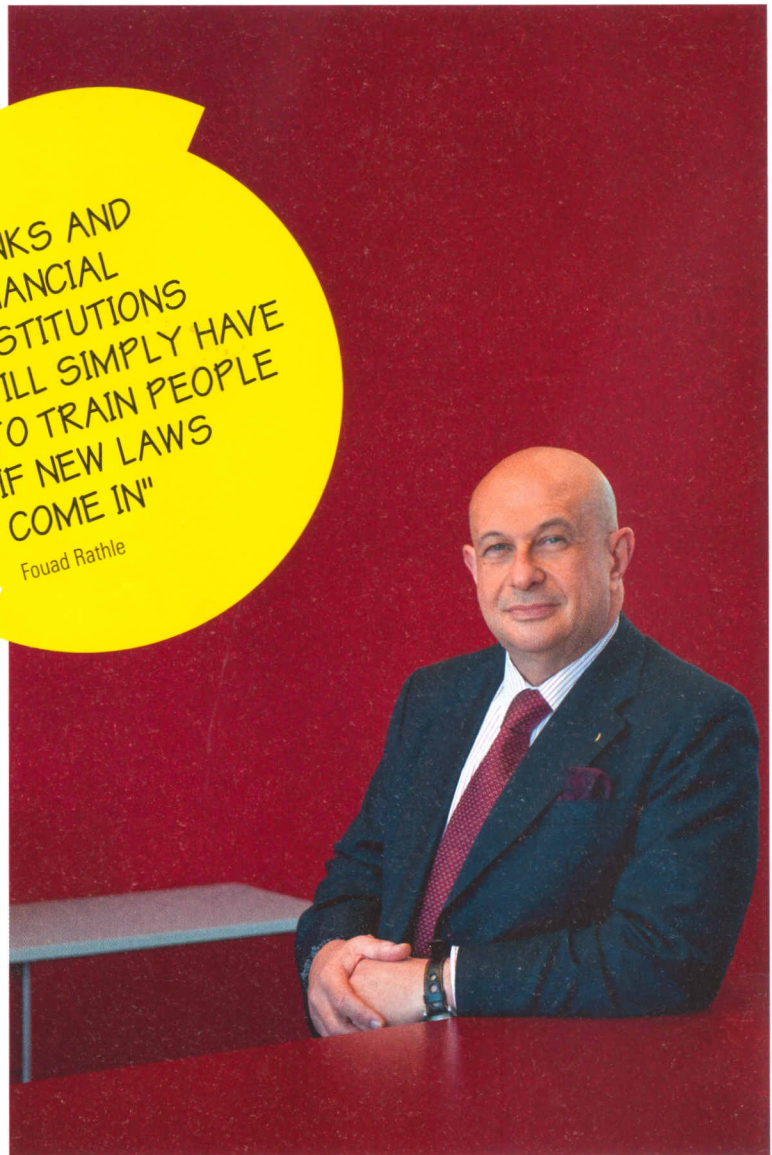
The figures reveal certain important trends: whereas in 2008, and before, HR managers tended to look at courses for the whole year, now they're looking at shorter and more intensive ones. "They have budgets to adhere to," says Rathle, "management in general has to allocate a budget more skilfully. For us, that has meant an increase in certifications. We have also seen a downturn of in-house courses." The first five months of 2009 has seen an increase in demand for the IFBL's catalogue courses, and it has developed an email learning capacity in a further effort to streamline the services offered. There is another interesting development, as Rathle points out: "subsequent to the crisis we all expect a surge in regulatory directives.

Banks and financial institutions will simply have to train people if new laws come in." On a general level, there is a desire to raise skill levels. The IFBL, for example, has introduced a new course in private banking and wealth management. Although expensive, these courses are fully booked. This shows the determined will of institutions to take over their own destinies and have less reliance on external factors. As well as private banking, what fields of study have seen the largest recent growth? "The new fields of microfinance and private banking are fully booked as well. Compliance is also very strong. And about 12% of our total profit comes from the conferences we organise."

The future will see training grow more, in line with companies' attitudes towards their development. Banks, lawyers and PSFs alike will all need to keep progressing if they want to stay ahead of the game, and the financial industry will clearly

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diversify further. Training in banking products will be an essential part of this diversification and development. As Rathle says, "people are taking a long-term view, which is wise. Certain skills are essential to stay in business. The IFBL is feeling the effects of the crisis, but we are not making losses."

PROMOTION OF TRAINING

The INFPC was founded in 1992 and, according to manager Dominique Matera, "it is designed to emphasise the growing importance of continuous vocational training to the economy of this country." It has four major activities, "from being the reference body for co-funding applications from companies, to the promotion of training in Luxembourg. We also manage the portal, lifelong-learning.lu and then develop and monitor training practices." The co-financing by the state of training courses is understandably important at the current time,

and increased demand for information about potential course co-financing is, Matera says, symptomatic of the present economic situation. An advantage he sees for training in general is that companies can ease problems in recruitment: "companies are finding it more and more difficult to secure exactly what staff capabilities they are seeking," he states. "Jobs are always evolving and through training companies can develop their staff as requirements dictate," which also allows those companies to improve skills across the board. Furthermore, by investing in people, they can "secure the loyalty of staff to the company, and guarantee more solidity in the company."

Matera doesn't see a conflict between inhouse training and external recruitment, but rather that the two processes are complimentary, believing that "they are simply both parts of human resource management. Normally, new recruits have to be

Languages

SPEAKING PRECISION

"There is less demand for language training of course. However, there are also higher expectations," says Remi Crestani, head of training at LanguageXperts, about the present state of affairs for his company.

"It does not mean we are running fewer courses than before, but we do have a new general client profile, and they aren't necessarily financial institutions. In this regard I believe we are less impacted than other companies, so up to this point it could have been worse," he continues. So what do the higher expectations mean? "What we do is not the most important thing for an affected business, but the kind of training can be relevant: what is more important now, language of crisis management or French grammar?" Clients are now demanding more precision, while interest in French and German programmes has fallen, although Luxembourgish and English remain robust. LanguageXperts are focused on sophisticated, tailored programs. Now, that is their advantage. ● B.P.

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trained anyway as each business has its own way of going about things and, furthermore, skills become obsolete if they are not honed. Thus, it becomes a win-win situation for the company and the individual." Although he believes it is too early to talk about the effects of the crisis on training programmes, Matera admits that a fall in overall budgets will result in a reduction of the number of training courses undertaken by businesses, "under the aegis of an external organisation. On the other hand, internal training schemes are likely to increase."

Another aspect Matera has noticed is what he calls "a general mobilisation towards training on the part of companies," whereby they are showing a more proactive interest in it. "Times may be difficult, but this is one positive aspect to emerge from the crisis, and can only serve to benefit employees," he continues. So which topics of study have enjoyed the most growth recently? "The most demanded courses, and those most often put into place by companies recently are those linked to core business practices, those that are concerned with the actual day-to-day operations of any given business." He sees these as being the courses that are most required immediately. Budgets at the moment don't often allow for tangential courses, and training programmes that are linked to improving efficiency in production methods and service are in demand.

Furthermore, courses linked with trades remain desired, while more niche management programmes are, at present, less focused upon by most companies. "Put simply, the most demanded courses are those that provide instant results. Now, more than ever, these are popular: because they are short and effective," says Matera. And what of the future? "We have to focus on the quality of training, perhaps in line with EU-wide norms, and assuring correct certification of training institutes. We have standards in place in Luxembourg. But these can

always be improved across the board. The INFPC can play an important part in this, as can all those institutes."

A WIDE RANGE OF OPTIONS

"In the Chambre des Métiers, we offer approximately 320 different course options," says manager, Christiane Hoffmann. These are divided into two major categories, those which are concerned with management of a business, and those which involve learning practical technical skills. "The management courses do not just involve running a business, but also communication and health and safety. We represent the trade and crafts sector of the economy, but we provide training in all aspects of running a company," she continues. On the technical side of their training options, they offer "very specialised courses in different trades, from nutrition and food services to what is our largest

sector: construction." Like other economic sectors, the fields of trade and crafts are subject to evolving European directives which pass into Luxembourgish law. "Training courses linked with these legal changes become compulsory. We develop, organise and carry out these courses, and it seems obvious that companies need to invest in themselves to stay competitive. A serious aspect of that is investment in human resources," insists Hoffmann.

The effects of the crisis are not fully known yet, she admits, but states that "courses in personal development and communication appear to be going less well. But we shall see the impact more clearly in the second semester this year." She further elaborates that "courses remain well attended in terms of overall numbers, but certain subject matters have become more popular: new technologies are successful, as are courses concerned with

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Paul Emering



Paul Emering (IFCC)

energy efficiency. These courses are very specific and interest is high." Overall, the crafts and trade sector is clearly going to be affected by the crisis, but it is, according to Hoffmann, "at the end of the chain, after industry and finance. They will be the last to feel the knock-on effects." She continues: "The Chambre des Métiers is committed to providing a tailored advice service for company training needs, and small and medium-sized enterprises, which make up most of our clients, often have very particular and specific needs". She has noticed that more and more companies and clients are looking for tailored services and advice relevant to their particular situations.

In order to refine these tailored services, Hoffmann mentions that "we offer a pedagogical course in training itself. These tutors are then assigned to young people doing apprenticeships. We are also seeing now the increased demand for our technical courses. But companies are realising that management also requires training. That is how things are evolving."

THE NEXT GENERATION

"The IFCC was founded in 2004 and groups all new and old courses offered by the chamber under one body, but we nevertheless have a certain autonomy," says Paul Emering, the institute's managing director. An advantage Emering sees for corporate training, like other institute directors, is the stability it brings to a company's workforce, but he also emphasises that diverse programmes "allow a business to have a good mixture of qualifications and skills amongst its employees. We are continuously in touch with those businesses."

Similarly, Emering is keen to stress the diversity of learners at the IFCC, "from company executives to people looking to create their own businesses. They may be seeking to start a personal project and take one of our courses to help with that." Thus, the IFCC's two principal targets are those who want to

better themselves within a company, and those who show an entrepreneurial streak with regard to their personal development. Clearly, he still sees the value of training in times of crisis and, when asked if the current economic situation has had an effect on training at the IFCC, answers "yes and no. It depends on the sector. But, going by last year's figures, courses with an industrial slant, such as the operation of machinery, did not really work. We had some cancellations." Night courses, which are usually attended by people using their own initiative rather than that of their company, showed better attendance rates, in particular those concerned with company creation, as well as commercial skills and accounting.

Furthermore, he admits that while overall numbers may not have gone down by a huge amount, the process of attracting people to attend seminars and courses has become more difficult. It will

become clearer in the autumn, once the second semester has begun, which training programmes have been hit, but the IFCC is not being passive. It will reorganise its structure: "While we do continuous professional training, that is not the sole function of the chamber of commerce from an educational point of view: there is also primary training and the university project. Businesses who are interested in training will potentially be able to address one player in the field of education."

Furthermore, contacts are being made with companies in *chômage partiel*, with the idea of using the fallow time to boost other skills. Training clearly improves skills and these will be required once things pick up again. The various entities offering courses have seen a recent upswing in enquiries about their services. It is surely imperative that companies and individuals take advantage of opportunities. ●