ELEARNINGNEWS ARTICLE

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Training and managerial skills: help from the Funds

Delivering corporate training at all organizational levels is the way to close the Generation Divide, the gap in opinions, preferences and skills between generations.

Training one's employees is a forward-looking policy for any company. **Having qualified personnel suited to their assigned tasks is the best way to compete in an ever-changing market**. In the past few years alone, scenarios across all sectors have seen a worldwide recession, a global pandemic, and several instances of geopolitical instability-all of which have impacted macroeconomic variables such as growth, inflation, and employment. There is no sector or business that has not had to and still does not have to deal with these upheavals.

To complicate matters, demographics have led to a momentous generational shift, with baby boomers heading toward retirement from the workforce and generations x and millennials intent on pursuing the right career/life balance: **Great Resignation and Great Retirement** are issues on the table for every HR manager.

Any business that wants to ensure economic continuity must view itself as an architecture of procedures based on acquired, widespread, and growing skills and knowledge. This is the case regardless of its size or the success it has already achieved. If the enterprise is modest in size and relatively young, it is essential that it develop the wealth of knowledge that will guide its managerial choices, raise its operational quality, and make decisions and workings efficient and effective. If size, age and market success are more relevant, the matter is certainly not simpler: on the one hand it will have to preserve its identity and competitive advantage, and on the other hand it will have to prevent the progressive aging of its products or services from decreing the very obsolescence of the organization.

Continuing education is one of the tools companies have to pursue these goals. Its administration at all organizational levels is the way to **close the Generation Divide**, the gap between opinions, preferences and skills between generations.

The gap between needs and resources

That between generations is not the only gap that can limit the growth of a business. A more immediate problem is the **gap between goals and the means to achieve them**.

Defining a growth strategy is a complex task, involving the entire enterprise at various levels: from senior management, which must have the ability to visualize the evolution of the organization it leads; to management, which must be able to anticipate critical issues in its implementation, report them to senior management before it makes final decisions, and negotiate resources and evaluation metrics for implementation. Finally, front-line staff must be trained for the tasks required by this strategy and informed of their importance.

Not all companies can come up with the resources required for the optimal strategies adopted. As a rule, this limitation affects smaller enterprises the most. It is not only a question of economic resources, but also of people. A Large Enterprise can also afford to waste resources; evaluate several options at the same time before choosing which one is the most effective; explore more market niches or probe new technologies with internal projects. In a large or global market, the cost of suspended projects can be repaid by those that will be successful. For an SME, this approach may be impractical or, if it is, very risky. Unfeasible because the enterprise may not have enough people who can and do manage and implement the various projects: there simply may not be those skills within the enterprise or its partnership perimeter that are needed to implement a new technology, for example; or, even having those skills, there may not be teams capable of adding a new set of tasks and duties to those already performed. Sub par results could range from too long a time to market to get to market demand in time to projects abandoned after losing control of spending. While innovating is also essential for an SME, choosing how to do it is a much more delicate decision.

The importance of networking

A first, important solution to this limitation is to reconsider what an enterprise is. The point is to try to extend what its boundaries are. The classic definition speaks of economic activity organized for the purpose of producing or exchanging goods or services. This definition neglects the environment in which the enterprise operates and network effects. An enterprise operates in a market, to satisfy a demand and interact with downstream suppliers, upstream customers and competition on its sides. If we think in terms of networks and partnerships, suppliers, customers and competitors are no longer just separate entities.

Collaborating with other companies in the ecosystem is the way to extend corporate boundaries. Improving procurement may not require upstream vertical integration by buying your own suppliers. If technology, practices and coordination are well defined and shared, two or more firms can achieve synergy while remaining separate entities. Same for downstream distributors, but not only.

Interaction and coordination with competitor companies can also lead to mutual benefits. This is what is called **competitive collaboration**. Two or more companies competing in the same market can also collaborate. To streamline certain steps in the value chain: perhaps by coordinating and organizing the workflows and logistics of numerous smaller suppliers or distributors. To help define and implement industry regulations. To achieve the establishment of technological standards or to shape final demand. In the Italian scenario, largely composed of SMEs, **manufacturing districts have been adopting this collaborative approach** since time immemorial: from textiles to footwear, from furniture to food, many of these were formed well before technology fostered business-to-business relationships.

How much do training and technology have to do with business networks? A lot. Partnerships are an approach, not an outcome. If you move from people to considering their skills, then extending the boundaries of an enterprise takes on a whole other meaning. **Skills that are not in my enterprise can be in another, which is facing the same challenges as me**.

Of course, no enterprise is well disposed to spread its distinctive competencies: the more they contribute to its competitive advantage, the more, as a rule, they must be jealously preserved. It is the principle of the secret formula: everyone tries to replicate it, no one succeeds. And until one succeeds, those who employ it preserve their advantage.

However, outside these unique and vital skills, one can find a wealth of industry-specific practices, notions, procedures and capabilities that can be shared to foster that mutually beneficial competitive competition. **The question is to define what companies can pool**.
eLearning technology can facilitate this process. Firms in the same manufacturing district can define a **training standard for all industry personnel**. This standard could be applied as much to corporate training courses as to external courses useful for obtaining specialized personnel. While for one SME deciding to spend time and resources to select or create an eLearning course may seem like an excessive use of time and resources, for a group of SMEs the choice might be easier to adopt.

For another, with mutual discussion it is possible that they may come to a better understanding of what issues have not yet been addressed and proactively define possible solutions. In training and human resources it means, **creating eLearning materials and courses for issues not yet addressed**. One example, but there could be many: two companies confronting each other may find that they compete for too small a market. One solution may be to resort to a price war, mutually damaging; or a race to invest in development and marketing, also risky, if in addition to size, market profitability proves insufficient. A creative solution might then be to choose to collaborate to explore other markets, perhaps foreign. If this avenue proves fruitful, local companies might decide to jointly produce training courses for business internationalization; to train sales personnel to interact with foreign buyers; to acquire the basics of logistics and regulations of the destination country. The example is intentionally simplified, but the point is that a creative and collaborative approach could produce unhoped-for solutions and unexpected training courses.

Funds and public agencies

The initiative, like the resources we have discussed, may not be enough. **Developing connections is also a complex and expensive practice**. Creating an environment in which mutual trust is established and initiatives can be positively received is not something that is created in a short time. Businesses may limit their collaboration to a superficial level. Some of Italy's districts have their roots in the Middle Ages. The businesses that have come and gone are like trees in a forest: the tree passes,

the forest remains. While even in the districts there is no shortage of stories of missed opportunities, the underlying culture can serve as fertile ground for partnerships. From which one or more firms can emerge that can coordinate the work of many others.

Where this is not easily attainable, some public agencies can support business growth and possibly assist partnerships.

Still in the area of training, one example is Anpal, the National Agency for Active Employment Policies. Anpal is headed by the Employment Centers and Employment Agencies; accredited Active Employment Policies Subjects; Public Entities (Inps, Inail, Inapp, the CCIAAs, Universities and Secondary Schools); National Interprofessional Funds for Continuing Education; and Bilateral Funds. In particular, the many funds under Anpal can contribute to training in specific sectors or tasks.

Operational **Interprofessional Funds** include the following:

- Fapi: the Small and Medium Enterprise Training Fund
- Fba: the Bank Insurance Fund
- FonARCom: the Fund for continuing education for employees and managers
- Fon.Coop: the Fund for training in cooperative enterprises
- FondArtigianato: the Fund for the training of artisans
- Fond.E.R.: the Fund for training in religious institutions
- Fondimpresa: the Fund for corporate training
- Fondir: Fund for the training of managers in the tertiary sector
- Fondirigenti: Fund for the training of executives
- FondItalia - Fund for sectoral and territorial training
- Knowledge Fund: Fund for employee training
- Fondo Dirigenti PMI: Fund for executives of small and medium-sized enterprises
- Fondolavoro: Fund promoting employee training
- Fondoprofessioni: Fund for the training of professional firms
- Fonservices: Fund for training public industrial services
- Fonter: Fund for joint training in the tertiary sector
- For.agri: Fund for continuing education in agriculture
- FormAzienda: Fund for training employees and managers
- For.Te: Fund for continuing training of employees in the tertiary sector

Anpal's goal is to promote employment and outplacement; the knock-on effects are to obtain qualified personnel for companies.

An interesting case is that of the New Skills Fund. Created to counter the economic effects of the Covid epidemic, it is a public fund co-financed by the European Social Fund. The New Skills Fund allows enterprises to adjust workers' skills by allocating part of their hours to training. Salary hours for staff in training are paid by the fund, thanks to contributions from the state and the ESF - Pon Spao, which is managed by Anpal, which is also responsible for evaluating applications and requirements, determining the amount to be disbursed, transmitting funding to INPS, and monitoring progress and expenses incurred.

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