**RETRAIN – training of retail trainers**

**GAP ANALYSIS IN TRAINING OF TRAINERS FOR THE RETAIL SECTOR**

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# 1. Introduction

This report summarises the findings of the GAP analysis undertaken by the partners of the RETRAIN project, which is foreseen in the framework of Work Package 2: GAP ANALYSIS IN TRAINING OF TRAINERS FOR THE RETAIL SECTOR, for which BEST (P3) is the lead partner. In addition, the report provides the methodological framework which has been used in order to carry out the respective research in each partner country, analyse the data and draft the conclusions. The RETRAIN project started in October 2013 and will be implemented until the end of February 2015.

**The main objective of the research is to:**

- Map the present situation in vocational retail training within the participating countries, based on the analysis and comparison of current learning models, including both technical and pedagogical subjects. This WP also contains the analysis of the retail chains in the participating countries.
- Collate relevant information on the present vocational learning models for the retail sector in each country.
- Compare the data collected in a structured way and hence to registering detail the similarities and differences.
- Identify strengths and weaknesses in the education provided in the sector in each country, for both public and private providers.
- Describe the training needs to improve retail employees' skills in customer service, product knowledge and other relevant retail skills in each region.

To achieve the aforementioned, the partners undertook on one hand a desk research on the existing material with information on the sector and its trends and on the other a survey to register the needs of the future users. In the survey, the representatives from all potential target groups were involved; in particular, the partners approached retail company owners, HR/training managers, VET teachers, education stakeholders and staff in the retail business.

This report summarises the findings from the country reports on the context of different types of vocational teaching models provided for the retail sector into one document and provides summative conclusions which aim to define the appropriate learning objectives to train vocational retail trainers in the most efficient and harmonised ways

The first part of the report presents the existing VET measures in the participating countries and identifies possible training models. The second part of the report presents the findings of the survey undertaken to training providers, HR managers and final beneficiaries and staff working in retail.

# 2. Desk research

This chapter presents the findings of the desk research undertaken by the project partners.

## 2.1. *People working in retail in the partner countries*

### 2.1.1. Austria

According to data collected from Statistik Austria, the Austrian Institute that provides statistical data, there exist around 75.000 companies in the trade sector. Around 65.000 of these companies have less than 10 employees. There are only about 200 companies that employ more than 250 people. The table below shows the total amount of people working either independent or as employees. The general revenue produced by these companies in 2011 was around240 billion Euro.

| | total | Number of employees | | | | |
|---|---|---|---|---|---|---|
| | | 1 to 9 | 10 to 19 | 20-49 | 50-249 | 250+ |
| **Working population** | **628.922** | 169.476 | 74.070 | 77.135 | 95.113 | 213.128 |
| **Employees** | **561.570** | 109.857 | 69.261 | 74.921 | 94.469 | 213.062 |
| **Revenues in million EUR** | **240.587,4** | 48.755,3 | 31.878,9 | 38.733,2 | 67.458 | 53.762,1 |

**Table 1:** *Individual query STATISTIK AUSTRIA – data from 2011 – accessed on Nov. 18, 2013 - http://sdb.statistik.at/statistik.at/ext/superweb/loadLocale.do?language=en&country=*

The following table breaks down the trade sector even further. Based on the data gathered, the retail sector employs a very high number of people. Based on the statistics presented below, around 12% of the employees working in Austria are employed in this business sector.

| | Companies in 1.000 | Employees | Revenues in billion EUR |
|---|---|---|---|
| **Retail** | 39,0 | 297,7 | 54,0 |
| **Vehicle-trade, workshops, gas-stations** | 11,2 | 79,7 | 31,7 |
| **Wholesale** | 24,6 | 179,1 | 147,3 |

**Table 2**- *Report on retail reference to Statistik Austria; Report page 4 http://www.bankaustria.at/files/Einzelhandel.pdf*

The table below shows the educational level and the gender distribution of the employees in the trade sector based on data from 2010. It is clear that there are slightly more women than men working in this sector. The age group between 30 and 49 year older presents more than half of the employees. Almost three quarters employers have finished secondary education.

| **Men/women** | *primary* | | *secondary* | | *tertiary* | | total in % |
|---|---|---|---|---|---|---|---|
| Men | 51.293 | 7,7% | 225.645 | 34,0% | 20.299 | 3,1% | 44,8% |
| Women | 78.643 | 11,9% | 264.676 | 39,9% | 22.675 | 3,4% | 55,2% |
| **Age/group** | | | | | | | |
| 15 to 29 | 61.345 | 9,2% | 130.493 | 19,7% | 7.879 | 1,2% | 30,1% |
| 30 to 49 | 46.464 | 7,0% | 262.990 | 39,7% | 27.084 | 4,1% | 50,7% |
| 50 to 64 | 20.617 | 3,1% | 91.599 | 13,8% | 7.188 | 1,1% | 18,0% |
| 65 to 84 | 1.482 | 0,2% | 5.195 | 0,8% | 812 | 0,1% | 1,1% |
| 85 + | 28 | 0,0% | 44 | 0,0% | 11 | 0,0% | 0,0% |
| **total** | **129.936** | **19,6%** | **490.321** | **73,9%** | **42.974** | **6,5%** | |

**Table 3:** *Individual query STATISTIK AUSTRIA – data from 2011 – accessed on Nov. 18, 2013; The percentages indicate the percentage of the total per group.*
*(http://statcube.at/superwebguest/login.do?guest=guest&db=deregz_aest_zeitreihe_erwerb)*

### 2.1.2. Ireland

The retail sector is Ireland's largest employer. With a footprint in every town in the land, it is also this country's most geographically diverse industry. One in four Irish businesses is involved in the sector, employing about 15% of the Irish workforce. There are nearly 40,000 retail firms in the country employing around 275,000 people. Almost90% of firms in the sector are Irish owned, making it also Ireland's largest indigenous economic sector. Within these 40,000 firms there is a large amount of diversity in both the size of wholesalers and retailers and the type of products they are selling. About 38%of the sector's firms are SMEs with a turnover of less than €200,000 per annum. A further 39% have a turnover of less than €1 million while only 3% of Irish wholesale and retail firms have a yearly turnover of more than €5 million. Irish owned businesses account for about 60% of this turnover. Retailers themselves can be broadly divided into two categories, specialised stores and non-specialised stores. One in five Irish retailers are non-specialised, meaning they sell a broad range of goods. Among the other 81% or so of specialised stores the largest groups are sellers of food, beverages and tobacco(15%), household equipment (15%) and recreational goods (8.5%).

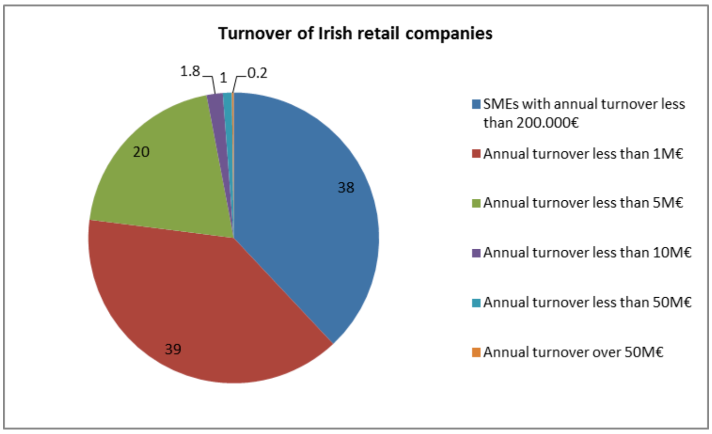


**Figure 1:** Turnover of Irish retail companies

The following are some key findings from the *Strategy for Retail 2014-2016* (2013):

- 275,000 people are employed in the retail sector in Ireland or 15% of the Irish Workforce. It is the largest employment sector outside Government and Public/Civil Service.
- Retail generates €5 billion in taxes per annum (20% 0f total tax take for businesses) with €1 billion in employment taxes. The sector paid over €8 billion in wages in 2010.
- 90% of Irish retail businesses are Irish owned and 77% are family owned.
- 38% of sectors firms are SMEs with a turnover of less than €200,000 per annum.
- Irish owned businesses account for 60% of all turnover.
- Consumer spending has been severely hit by the economic downturn and it is forecast that the sector will not return to growth until at least 2016.
- It is forecast that with a return to growth in consumer spending that employment in the sector will reach in excess of 310,000 people by the end of the decade.

- The majority of employees in the retail sector enter employment in the sector with at best a secondary education (NQAI Level 5) and rarely go on to third level education.

In 2012, employment in the wholesale and retail sector saveraged 275,000 people. Historically, employment growth has been about one percentage point lower than the volume of sales growth. This reflects the high employment intensity of the sector coupled with productivity improvements that have been in line with the performance of the other sectors of the domestic economy. The wholesale and retail employment has the capacity to reach the precrisispeak by the end of this decade and employ in excess of 310,000 people, accounting for about 15%of total employment in Ireland.

#### 2.1.3. Iceland

In Iceland, as it is obvious from the graph below, despite the fact that employment in the retail sector has undergone a slight recession, the most recent one being in 2010, for the past couple of hears has been steadily growing. In terms of the proportion of the workforce in the sector, the situation is the same: in 2010 the ratio of the employed people working in retail has reached its lowest point of the past 10 years. However, since then it has been steadily increasing.

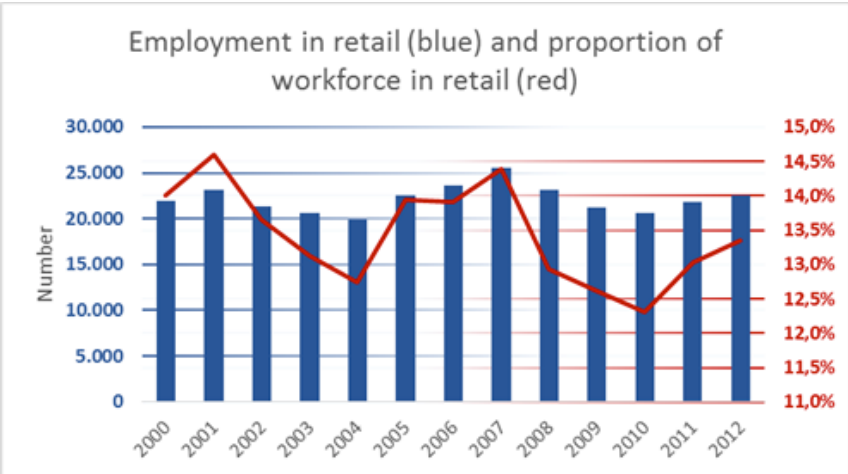


**Figure 2:** Employment and % workforce in the retail sector, *Source: Retail Yearbook 2013*

Regarding the gender distribution of people employed in the retail sector, it is apparent from the graph below that men are more than women within the Reykjavik area, while in the countryside the opposite is valid. Moreover, it is clear that the development made in terms of increased work places, which was observed in the graph above, has occurred only within the Reykjavik area, while the number of employees in the retail sector in the countryside has remained the same. This could be attributed to the fact that the recession observed in the past years has affected much more the city, rather than the country side.

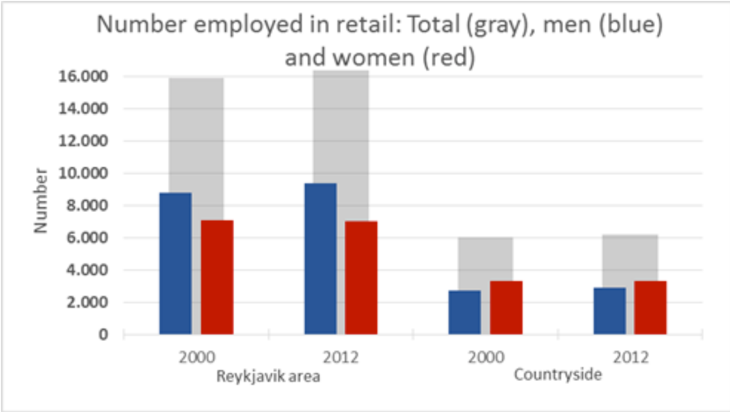


**Figure 3:** Number of employed in the retail sector (gender distribution) for the years 2000 and 2012, *Source: Retail Yearbook 2013*

The first years after the grate economic downturn in Iceland, in late 2008, the number of employees in the retail industry decreased around 9%. Now this tendency has changed although the number of retail employed has not reached the same level as in the years before the economic crisis started. In 2012 the number of employees increase of around 4% from the year before. The largest employment growth was in the capital city area in 1012, 5% but in areas outside the capital the number increased only 1,6%.

The majority of the retail industry in Iceland is owned by three retail chains, Hagar, Norvik and Samkaup. Each of these chains have developed internal training instructions for new employees. However this instructions are quite informal and often consists of a short handbook which is handed over to the new employee.

One reason for the relatively little emphasis on retail education is the large proportion of employee turnover. In times of economic growth and little unemployment the staff turnover in grocery chains can easily go up to 100% in a year (then in average all the employees in a grocery store quit their job and replaced by a new employee). In times of economic downturn the employment are more stable.

### *2.2. Important tendencies in the retail sector*

#### 2.2.1. Austria

A booming sector in the retail business is the online-trade, with a clear tendency to rise even further. In 2012 the Austrian consumers purchased goods with a value of around 4.5 billion Euro. The negative news for Austrian shop owners is that less than half of these revenues stay in the country (only 1.9 billion Euro[1]. Although this is a large figure, it is only a small percentage in comparison to the overall expenditures. Nevertheless, the potential for improvement is large. Many retail chains have reacted to this situation and progressively increase their online sales offer.

Another tendency that has increased strongly over the past decades is the amount of part time employees. Since 2010 the part time employees in the retail industry have outnumbered the fulltime

[1] See http://oe1.orf.at/artikel/329412

employees[2]. A quarter of the employees work on a minimum amount of hours per week and earn less than 380 Euro.

Fair trade and ecologically friendly goods still represent a minor market share. However they both represent important solutions for shop-owners and service providers to consider.

Education is still considered to be of much importance in this field. A lot of people who work in the sector underwent apprenticeship programmes. Based on a recent research, the apprenticeship system in Austria stems from the previous century and needs to be enriched. In general, there is a need for making the retail business more attractive for employees.

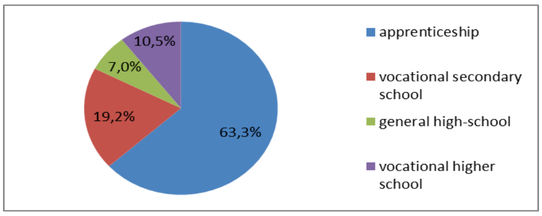


**Figure 4:** *Percentage of educational types of secondary education*

The graph on the right shows that almost two thirds of the people with a completed secondary education in the trade sector have completed an apprenticeship. This underlines the importance for updated training programmes in Austria.

The observation of the practitioners is that the employees often have very different educational profiles and competences; therefore it is often up to the companies themselves to train them so that they can provider better services. They also claim that “enjoying the professional activity, motivation and good working ethics are essential”.

For some regions (mostly urban areas) also immigration has become a rising issue, especially since the need for further education regarding language skills[3] is even more evident than before.

#### 2.2.2. Ireland

***Retailing continues to falter***

Despite Ireland’s emergence from the worst of the economic gloom, levels of retail spending continued to decline in 2012. The worst of the banking crisis appeared to have been resolved and Ireland remained on target to meet the requirements allowing continued access to the EU/IMF bailout funds. However, further government hits to personal spending are not out of the question and, with unemployment at a stubbornly high 15% and emigration still rife, consumers remain reluctant to engage in unnecessary or frivolous spending.

***Boom in internet retailing***

In the search for lower priced and better value goods, many Irish consumers are making the switch to internet retailing. Once viewed with suspicion, the now nationwide penetration of reliable broadband services combined with widespread computer access and high uptake of smart phones and tablets has ensured that internet retailing has experienced a dramatic boom. The focus by retailers on offering improved internet retailing facilities as well as interactive mobile phone applications has further influenced this growing trend.

[2] See http://www.bankaustria.at/files/Einzelhandel.pdf, page 9
[3] Comments are based on the following article *„Gretchenfrage vom Handelsverband: Was braucht der Handel?“*http://www.wu.ac.at/retail/newsitem/2013/wirtschaftsverlag_25092013.pdf

***Non-grocery feeling the pinch***

While the decline in grocery retailing appears to have levelled off, the decline in non-grocery retailing remained more pronounced. The heavy discounting and promotional activity witnessed within grocery during the review period had tapered off somewhat, more as a result of consumer apathy with the selling tactic than anything else. Furthermore, many consumers are reluctant or unable to reduce their groceries spend any further. However, significant savings are to be made in other areas, with consumers more likely to "shop around" for available bargains. Increasingly, consumers are viewing and appraising products in bricks and mortar stores before going online to purchase products at lower prices.

***Economic conditions remain difficult***

The economic forecast remains extremely unstable with real recovery unlikely to be evident in the short term. However, the outlook for the medium to long term looks slightly more promising. While exports continue to perform well and foreign direct investment has been reported to be increasing, there are significant difficulties particularly in the housing market which remained unsettled in 2012, and the building and construction industries where output has fallen and many sectors remain extremely suppressed.

#### 2.2.3. Iceland

In Iceland, like in other Western countries, the Retail & consumer market is mature, the growth of companies can be limited, it's more difficult to increase profits because of deflation and customers are both more divided and less faithful to specific products. Tougher competition, including from suppliers, new sales tactics, such as through the internet, add to the challenge of operating in this environment.

Retail has reacted to these challenges by focusing on new markets in Asia, particularly in China and India, and Central and Eastern Europe. By expanding to new markets it has found new opportunities and adapted to new business methods, such as outsourcing and import of cheaper products.

Unfortunately there is no available information on number of employees in each sub sector of the retail industry. However the proportion of turnover in each sector can give some indications on the share of employees in each sub sector. The most important retail sectors in Iceland are:

- Grocery: 41%
- Home appliance: 18%
- Hardware: 6%
- Drug and cosmetics: 5%
- Cloths and shoes: 5%

### *2.3. Details about the retail sector in each country*

#### 2.3.1. Austria

To better understand the importance of the retail sector, the attention shall be drawn to basic data regarding trade in general. The trade sector employs about 23% of the working population and contributes with approximately 34.6% of the annual revenues. As already indicated above, the retail sector contributes with 50% of these numbers. (*See* **Error! Reference source not found.**)

| **Category (ÖNACE 2008)** | Working population in total | Number of employees | Revenues in 1.000 EUR | Percentage of total |
|---|---|---|---|---|
| Mining (B) | 5.997 | 5.816 | 2.396.029 | 0,3% |
| Production of goods (C) | 606.964 | 589.365 | 173.387.829 | 25,0% |
| Energy supply (D) | 28.763 | 27.397 | 33.012.723 | 4,8% |
| Water and waste (E) | 18.871 | 18.332 | 4.779.499 | 0,7% |
| Construction (F) | 278.788 | 256.146 | 40.548.879 | 5,8% |
| **Trade (G)** | **628.922** | **561.570** | **240.587.393** | **34,6%** |
| *percentage of total* | *23,0%* | *22,8%* | | |
| Traffic (H) | 208.793 | 195.667 | 38.606.846 | 5,6% |
| Tourism (I) | 269.967 | 222.567 | 15.444.487 | 2,2% |
| IT and communication (J) | 98.552 | 83.043 | 19.543.687 | 2,8% |
| Finance (K) | 124.741 | 119.446 | 63.887.511 | 9,2% |
| Realties (L) | 46.236 | 33.357 | 15.454.223 | 2,2% |
| Freelance and technical services (M) | 215.089 | 156.662 | 26.862.076 | 3,9% |
| Other economic services (N) | 203.988 | 192.466 | 19.752.326 | 2,8% |
| Other services | 4.059 | 2.640 | 296.306 | 0,0% |
| **Total** | **2.739.730** | **2.464.474** | **694.559.814** | |

**Table 4:** *Working population, employees and revenues according to economic category - data retrieved through individual request from STATISTIK AUSTRIA; Nov. 18, 2013 - http://statcube.at/superwebguest/login.do?guest=guest&db=deste08w1*

Based on recent data (from June 2013) regarding the retail industry, the revenues have slightly increased by 1.4% from January to September 2013. The percentage is calculated on nominal figures. However the real value decreased by 0.4%.

The retail sector can be further divided in many sub-categories, such as: grocery, clothing, textile, furniture, hardware stores, pharmaceuticals, electronics etc.

The largest contributor to revenues (approximately 18.5 billion Euro) is the grocery market. The growth is mostly based on the increase of prices. The demand is not very dynamic and the competition is very dense. The clothing industry reaches about 4.8 billion Euro of revenues. The demand is mostly saturated and the increasing sensitivity of prices of consumers and the increasing competition lower prices. This sub-category is still expanding. Furniture and hardware stores bring almost the same amount of revenues as the clothing industry, 4.8 billion Euro. The fourth biggest group on the Austrian market are the providers of pharmaceutical goods. They receive 3.5 billion Euro per year compared to 2.6 billion from the electronics sector.

The challenges identified in this research go hand in hand with the tendencies identified above. The retail providers need to be able to respond to the market. The issue is partly structural; nevertheless it is also connected to the education provision.

#### 2.3.2. Ireland

In 2012 the Irish Economy has grown by 1.5%, a positive development given the 2.5% contraction recorded in 2011 (Central Bank of Ireland, Q1 2013). This growth has however been entirely export driven. Given predictions of global weakened demand and Eurozone uncertainties throughout 2013, it is not surprising that both the Central Bank of Ireland and the ESRI revised downward their forecasts for growth for the Irish economy for 2013.

With an unemployment rate in excess of 14% (IMF estimates that this would be closer to 20% were it not for the high levels of emigration), continued increases in the levels of indirect taxes, spiralling bank debt directly impacting on SME access to credit, weakened consumer confidence and hampered disposable income, it is little wonder that domestic demand continues to decline with estimates of stabilisation and possible returns to positive growth not happening before 2014.

The Irish retail market has endured a series of negative news announcements throughout 2012.Nevertheless, some improvement in Irish economic conditions in the period has resulted in a stabilisation in many sectors of the retail market with many retailers reporting year-on-year improvements in trading performance and profitgeneration. Indeed, there is currently a very notable disconnect between activity in the retail sector of the Irish economy and the retail property sector. From a property perspective, there has been a steady level of demand for prime retail units across the country with a notable increase in the volume of retailers purchasing and leasing retail premises in good locations. With demand particularly strong in the Dublin market, prime retail rents remained stable throughout Dublin in the last six month period, while secondary locations have continued to see downward pressure on rental values in the period.

Although consumer sentiment remains volatile, there a slight rebound as has been noted in the ESRI Consumer SentimentIndex, which recorded a level of 60.0 in March 2013.In spite of improving economic conditions and better consumer sentiment in the Irish market, there has ironically been an increase in the volume of administration and examinership announcements in the retail sector of the economy in recent months.

Despite this, for the most part, occupier demand has remained resilient in the sector with a recent strong volume of transactions signed across the country and many more transactions currently in active negotiations. A number of retailers are pursuing aggressive expansion on the back of the more competitive rental deals on offer in good locations around the country while there is also evidence of some new entrants being attracted by the more competitive entry costson offer in the Irish market relative to a number of years ago.

The volume of retail sales (i.e. excluding price effects) in December 2013 increased by 0.6% when compared with November 2013 and there was an increase of 3.0% in the annual figure. If Motor Trades are excluded there was an increase of 1.4% in the volume of retail sales in December 2013 when compared with November 2013 and there was an increase of 3.0% in the annual figure.

The sectors with the largest month on month volume increases were Books, Newspapers & Stationery (+4.2%), Pharmaceuticals Medical & Cosmetic Articles (+3.8%) and Furniture & Lighting (+3.4%). The sectors with the monthly decreases were Clothing, Footwear & Textiles (-1.1%), and Fuel (-0.1%).

There was an increase of 0.5% in the value of retail sales in December 2013 when compared with November 2013 and there was an annual increase of 1.1% when compared with December 2012. If Motor Trades are excluded, there was a monthly increase of 0.9% in the value of retail sales and an annual increase of 0.9%.

### *2.4. The education system in the retail sector in the partner countries*

#### 2.4.1. Austria

In Austria, almost a fifth of the employees in this sector have only concluded secondary education; nevertheless almost three quarters of the employees have completed an apprenticeship, as **Error! Reference source not found.** shows. The apprenticeship is a dual system and combines on the job-training with further school-based training. There are several types and specialisations of retail-apprenticeships e.g. specialists in logistics, pharmaceuticals, purchase etc.

The share of attendants of secondary vocational and higher schools adds up to almost 30%. While the secondary schools consist of school programmes of only three years (grade 9 to 11) they provide trainings for basic qualifications for professions in this field. The higher vocational schools provide programmes that, in most cases, last for five years and provide a more detailed formal preparation and a diploma that enables the learners to continue with university studies.

Although these training programmes exist for employees, it is not a requirement to go through specific training in order to work in the retail sector. Most of the training occurs on the workplace. The only requirement is a formal training on entrepreneurship.

The VET providers also offer general training programmes and specialisation courses for people working in the retail business. They vary from communication, sales, presentation skills to language courses and soft-skill oriented training modules.

Many courses are also offered to unemployed people. These measures are supported by the government through special programmes and subsidies. In special cases, employed people can also benefit from a subsidy to participate in trainings.

The trainers who deliver the courses are mostly experienced in this field: they have worked in the retail industry, completed tertiary education in the economic sector or participated in special trainings and obtained a trainers certification for courses like ECB*L[4] for example. There are no general requirements for trainers in VET institutes and it is mostly up to the provider to define the criteria for the selection of the trainers. The requirement for trainers in formal education programmes are equal to the general requirements and are adherent to the type of educational programme (apprenticeship, secondary / higher vocational school).

One of the strengths of this system is that the education provided is well structured. People attending an apprenticeship strongly benefit from the combination of practical and theoretical learning. On the other hand, though this tight structure makes the system sometimes rigid: companies complain that most of the teaching is undertaken by them. The motivation of young learners is a critical issue and they are afraid that this has a negative effect on their business.

#### 2.4.2. Ireland

In Ireland there has long been a significant divide between the role that government plays, via education policy and funding, in the skilling and up skilling of people in employment and any form of post-school vocational training. Education and training funding is restricted to the school system, to

[4] See http://www.ebcl.at/

universities and third level institutions. In recent years some government funding for training has been directed at people in employment but it is by and large still down to individual employers to decide what training employees will receive.

In this regard there are very limited opportunities for employees, who enter employment without a third level qualification, to undertake formal education and training as part of a structured career path, other than what is required to become proficient in a given role. Apart from the traditional technical trades there is no apprenticeship system for those in the retail, hospitality, agriculture or construction sectors. While efforts have been made to address these shortcomings there is still a lack of a vocational training or education pathways for an employee to follow other than to return to fulltime or part time education – both of which are exorbitantly expensive.

Apart for general business degrees there are no retail specific third level courses available within the traditional third level institutions. Various retail lobby groups have sought to address this shortfall and a number of certified programmes below degree level have been developed. In recent years the national body responsible for traditional apprenticeships developed

NQAI Level 5 and 6 certificates for retail – one for employees and one for retail managers. I have attached an outline of the Level 5 retail certificate and this programme can be delivered and certified by a registered NQAI training institution.

Training for trainers was for many years was very loose and often was limited to an experienced practitioner undergoing a presentation skills programme. In recent years a NQAI Level 6 Train the Trainer certificate has been developed. This sought to include more pedagogy and adult learning theory but this aspect of the programme was still significantly underplayed.

In realty most employers in the retail sector will acknowledge the need for staff to be well trained in core knowledge and skills and make provision for same. However there is limited uptake in the provision of the additional training that will be required to reach the NQAI Level 5 standard. In many cases the reasons cited for this are the time and cost associated with delivering the non-core elements of training and the certification process itself.

#### 2.4.3. Iceland

Around 30% of the total Icelandic workforce has not finished a formal secondary education. The proportion of people in the retail sector who have not finished formal secondary education is around 50%. Much of this people are drop outs of the secondary school level.

A study performed by the Icelandic Centre for Retail Studies in 2013, Ávinningur starfsnáms fyrir verslun og ferðaþjónustu (CRS 2013), shows that 51% of retail employee who had got specified vocational education and training were promoted in the retail shop they were working and 53% got salary raise after finishing the education. The same study also presented interviews with directors of human resources in four large retail chains. The common conclusion of the managers' opinion was that employees who had finished vocational retail education had increased qualification and job skills, were more satisfied in their work and had taken more responsibility after finishing the education. However these retail chains usually do not have any formal policy for educating the employees. Another common conclusion is that the retail managers consider the vocational educational system to be too incoherent and weak.

According to several studies the main challenges in the vocational education system in Iceland is the incoherent structure and too loosely combined. However many attempts have been made to initiate new educational programmes for the retail industries. The request for participation has quite often become limited and therefore the initiatives have reclined. Among the reasons that have been mentioned for the difficulties of bringing young people to retail education is the low professional status of becoming a shop worker and the low wages. From the standpoint of the employers, the obstacle of supporting the employees to acquire more education is the great staff turnover which prevents retail owners in investing in education. The employees are likely quit working after a short time and the investment in education from the employer is then pointless.

A resent analysis of the main obstacles for the development of retail education show the lacking connections between the retail businesses and the vocational schools. All stakeholders involved agree that the education provided in schools lack connection in the working environment. The main result of the analysis is that the quality of the staff training in the retail shops is poor and qualified training opportunities in the retail shops would reinforce the retail education.

Quite limited training is provided specifically aimed at certain sectors of the retail industry. The existing vocational education all aim at general competences rather than focusing on the sub sectors, mentioned above.

No real education is available especially designed for retail training instructors in Iceland. The education that would come closest is the Diploma programme for shop keepers, which is provided by Bifrost University.

In all the large retail chains the training instructors' responsibilities are in the hands of shop managers in each retail-outlet. Because of the lack of unified performance of training the quality can differ from one outlet to another depending on the ability of each individual shop manager.

***Country policies***

In 2011 new law on secondary schools entered into force in Iceland. This law stipulates that individual secondary schools can design their own vocational educational programmes which needs to be confirmed by the Ministry of education. The wall between the formal and non-formal schools has shrunken after the new regulations.

As mentioned before several attempts has been made for starting new retail programmes and still these attempts are made both in the formal and non-formal educational organisations. Still the problem remains: a retail educational programme is not as attractive for students as the traditional theoretical studies.

***Strengths and weaknesses***

The general strengths of the vocational educations are the following:

- The formation of most retail vocational programmes that have been established during recent years has been based on requirement analysis from the retail chains.
- The educational authorities have supported most attempts of reinforcing the educational basis for the retail sector.

- The retail programmes that have been established more or less open gates to further educations for the participants.

The general weaknesses of the vocational educations are following:

- Lack of coordination for integral retail education.
- Limited recognition of this type of education in comparison to certified vocational programmes (like education for carpenters or bakers).
- Practical training incidental from one retail outlet to another.

***Main methods and tools used***

In 2007 the Ministry of Education published a curriculum for vocational education in retail and service sector. The curriculum was based on a comprehensive requirement analysis of the retail sector and other relevant stakeholders. The curriculum assumes for a combination of theoretical education and practical training. Although this curriculum plan has not had any success it gives indications on preferable methods and tools to be used.

Both formal and non-formal schools offering retail education lack connections to the retail shops and therefore the methods used are dominated by theoretical education.

On the other and the training in the retail shops, especially for new employees, is a practical training provided by the shopkeeper in each outlet.

No formal skills or competences requirements exist in Iceland for retail trainers. In most cases the trainers are people with long experiences in the retail industry but most often lack specific teaching skills.

### *2.5. Courses attended by employees in the retail sector*

**1. „Retail merchant" – Apprenticeship - Austria**

a. **Name & abstract:** "Retail merchant" – Apprenticeship to become a retail merchant. It can either be a general retail-training or a specialised one in a sub-category from construction, textile, pharmaceuticals, etc. The training includes enhancement of basic skills and topics like accounting, administration or good-specific information.

b. **Duration & Cost:** 3 years; the participant receives a salary for working in the company. The cost of the school training is shared between the federal and provincial government.

c. **Target group:** People who have completed primary education.

d. **Framework:** Formal training.

e. **Provider:** Companies enabled to train apprentices.

f. **SWOT**: Very popular, well established – lacks flexibility, needs revision.

g. **Other aspects of interest to the RETRAIN Project:** Dual system and structure could be of interest to investigate in depth.

**2. „Becoming Shop-Manager"- Austria**

a. **Name & abstract:** "Becoming Shop-Manager" – this training programme is a non-formal training that helps employees working in the retail industry become shop managers. It includes topic such as the role as a manager, conflict resolution, merchandising, etc.

b. **Duration & Cost:** 80 training units / 12 modules for 3 months – cost EUR 950.

c. **Target group:** Employees with some professional experience, who are already managing or who want to become shop managers.

d. **Framework:** Non-formal training.

e. **Provider:** WIFI - http://www.tirol.wifi.at/BBZUSATZ/1314/REF1/kurse/317/31735/LGP%20Shopmanager%202013.pdf

f. **SWOT**: Good curriculum – short term – no direct link to company.

g. **Other aspects of interest to RETRAIN:** Curriculum may be of interest.

**3. „Additional exam office clerk" - Austria**

- **a. Name & abstract:** "Additional exam office clerk" is a training course for people who have concluded their apprenticeship as retail merchants and want to broaden their professional profile. The topics include office organisation, communication, administration and business cases.
- **b. Duration & Cost:** 48 Training units / approx. 2 months.
- **c. Target group:** Retail merchants who want to expand their professional spectrum.
- **d. Framework:** Non-formal training for reaching formal certificate.
- **e. Provider:** Several providers – WIFI, BFI etc.
- **f. SWOT**: Short term – enhances competences and professional options – no direct link to company.
- **g. Other aspects of interest to RETRAIN:** There might be more need for trainings in order to achieve formal certificates in other countries.

**4. „Diploma in shop keeping" - Bifröst University - Iceland**

a. **Name & abstract/content description**: Diploma in shop keeping: This is a distance (on-line) education for preparing participants in becoming shop keepers, mainly in larger stores. The possibility is also for students to proceed University education in Business administration.

b. **Duration & Cost**: 1 ½ year. Students pay tuition fee 1020 euro pr. term for the education. However often their employer supports them and sometimes pays all the fee. The participants can also apply for educational funding if they are a member of a trade organisation.

c. **Target group:** The target group is adult people already established in the retail sector. The education started in 2003 and has become acknowledged in the retail sector, especially in the larger retail chains. Over 200 students have graduated with this diploma.

d. **Framework**: This is a non-formal education. It is mostly carried out on-line as the participants are usually full time employed in the retail sector. However, each semester the participants have two week-end seminars.

e. **Provider**: Bifrost University, Department of Continuing Education.

f. **SWOT**: *Strengths*: Established, well known in the retail sector; *Weaknesses*: Lack of practical training, expensive for participants; *Opportunities*: Additional training of retail trainers, formal curriculum; *Threats*: Too expensive for the participants, lack of renewing, lack of skilled teachers.

g. **Other aspects of interest to RETRAIN**: The opportunity of adding the RETRAIN education to the already established education.

5. **„Education in Retail Vocation" (Verslunarfagnám) - Iceland**

a. **Name &abstract/content description**: Education in Retail Vocation (Verslunarfagnám).

b. **Duration & Cost**: 510 theoretical lessons and 310 practical training in retail shops.

c. **Target group:** Employed in a retail shop, 20 years or older, with limited formal education.

d. **Framework**: Non-formal. Independent education for sales clerks in retail shops.

e. **Provider**: Several VET centres owned by trade unions and local authorities.

f. **SWOT**: *Strengths*: The education was designed in cooperation with the retail sector; *Weaknesses:* Hard to maintain because of lack of participants (students), lack of practical training; *Opportunities*: Perhaps more participants if the education gives some formal qualifications or automatic salary raise; *Threats*: Too little participation, lack of skilled teachers.

g. **Other aspects of interest to RETRAIN**: Skilled research trainers would improve the quality of the education and probably increase the popularity.

6. **„Entrepreneurial management in retail and services" - Iceland**

**a.** **Name & abstract/ content description:** Entrepreneurial management in retail and services.

**b.** **Duration & Cost:** Two years.

**c.** **Target group:** Students on secondary level of education (from 16 years age).

**d.** **Framework:** Formal secondary school.

**e.** **Provider:** Borgarholtsskoli (www.bhs.is).

**f.** **SWOT**: *Strengths*: An opportunity for secondary students who wants to have career in the retail industry; *Weaknesses* Lack of participants (students), probably not the strongest level of students who selects this program; *Opportunities*: Perhaps more participants if the education gives automatic salary raise for those who get employed in the retail industry; *Threats*: Too little participation.

**g.** **Other aspects of interest to RETRAIN:** Skilled research trainers would improve the quality of the education and probably increase the popularity.

### *2.6. Other projects on the same/related topics*

Below, some of the good practices identified in Austria in the trainer, training provider and HR-manager query.

7. **Name & abstract**: Golden Goal – basic skills necessary for the labour market.
8. **Duration & Cost**: Duration varies and depends on several factors; financed through labour market funding (public).
9. **Target groups**: Young adults.
10. **Framework**: Non-formal.
11. **Provider**: BEST
12. **Results**: Very popular training activity.
13. **SWOT**: The training modules available are of engaging the participants and have very positive results.
14. **Other aspects of interest to RETRAIN:** The degree of engagement of learners is very useful.

a. **Name & abstract**: REACH - m-learning based contents, e.g. for retail.
b. **Duration & Cost**: Flexible duration since it is a mobile learning course. The financing depends on the application.
c. **Target groups**: Primarily young learners.
d. **Framework**: Flexible; depends on how it is embedded by the training provider.
e. **Provider**: BEST
f. **Results**: The users like the flexibility.
g. **SWOT**: Flexibility for learners as well as training providers.
h. **Other aspects of interest to RETRAIN:** Provision of m-learning materials.

**Further trainings that were mentioned but remained without further references:**

- REWE internal trainings
- SPAR training academy
- European Communication Certificate

## *2.7. Stakeholders*

### 2.7.1. Austria

| **Nr** | **Name of organisation (city, country)** | **Type of institution** | **Activity of stakeholder – that field/ area of interest to the project** | **Level and details of potential involvement** |
|---|---|---|---|---|
| 1 | VHS Floridsdorf | Adult education centre and VET Provider<br>www.vhs.at | Teachers, trainers, coaches, course designers, programme managers, educational experts | They can implement and mainstream products of adult education and VET provision to the broader public |
| 2 | AK Wien | Chamber of work<br>www.arbeiterkammer.at | Public stakeholder | Responsible for mainstreaming VET trainings in Austria |
| 3 | AMS Österreich | Federal Employment Service (particularly regions of Vienna and Lower Austria)<br>www.ams.at | Public stakeholder | Responsible for mainstreaming VET trainings in Austria |
| 4 | Waff Österreich | Vocational Training, Fund/VET<br>VET fund for employees and future employees<br>www.waff.at | Public stakeholder | Responsible for mainstreaming VET trainings in Austria |
| 5 | Qualifikationsplan 2020 | Pubic initiative<br>VET fund and initiative | Public initiative supported by regional authorities | Responsible for mainstreaming VET trainings in Austria |
| 6 | BABE KV | Association of education providers<br>www.babekv.at | Teachers, trainers, coaches, course designers, programme managers, educational experts | Can implement and mainstream products and approaches; can launch new programmes and initiatives |
| 7 | Vienna Adult Education Network | Network | Teachers, trainers, coaches, course designers, programme managers, educational experts | Can implement and mainstream products and approaches; can launch new programmes and initiatives |
| 8 | Weidinger u. Partner | Private VET provider | Network partner with broad range of interested multipliers (teachers, trainers, coaches, course designers, programme managers, educational experts) | Can implement RETRAIN products and mainstream them in adult education and VET providers |

#### 2.7.2. Ireland

| Nr | Name of organisation (city, country) | Type of institution | Activity of stakeholder – that field/ area of interest to the project | Level and details of potential involvement |
|---|---|---|---|---|
| 1 | Retail Excellence Ireland | Retailers employers' lobby group | Policy making for the retail sector and providers of education services | Reference group |
| 2 | Irish Congress of Trade Unions | Umbrella body for Trade Unions and provider of education and training | Policy making for the retail sector | Reference group and dissemination partners |
| 3 | Dublin Institute of Technology | Educational Provider | Developers of retail management education | Reference group and consulting concerning the results |
| 4 | IBEC Retail Council | Employer Forum | Development of policy in retail sector | Target group for dissemination of results |
| 5 | Skillnets | Educational provider | Providers of funding for work based training | Advisory parties and target for dissemination |
| 6 | Solas | Govt agency responsible for vocational education provision | Development of VET education for the retail sector | Target group for dissemination of results |
| 7. | NQAI | National Body for Educational Awards | Development of quality assurance systems for educational providers and certification of VET training | Target group for dissemination of results |

#### 2.7.3. Iceland

| Nr | Name of organisation (city, country) | Type of institution | Activity of stakeholder – that field/ area of interest to the project | Level and details of potential involvement |
|---|---|---|---|---|
| 1 | Federation of Trade and Services | Retailers employers' organisation | Policy making of education for the retail sector | Reference group |
| 2 | VR, commercial and office workers' union | Retail employees' union | Policy making of education for the retail sector | Reference group |
| 3 | Educational council | Advisory board for national educational authorities | Coordination with other educational activities related to the project | Advising the partners and consulting concerning the results |
| 4 | Secondary schools | Formal Schools | Development of VET education for the retail sector | Target group for dissemination of results |
| 5 | Bifrost University | Educational provider | Development of shop keepers education | Advisory parties and target for dissemination |

| Nr | Name of organisation (city, country) | Type of institution | Activity of stakeholder – that field/ area of interest to the project | Level and details of potential involvement |
|---|---|---|---|---|
| 6 | VET centres | Non-formal VET educational provider | Development of VET education for the retail sector | Target group for dissemination of results |

# 3. Field research part 1: Final beneficiaries – retailers/shop owners and employees

This section summarises the results of small scale questionnaire based research for shop owners and employees in the retail sector, which was conducted by BEST, in order to collect additional data. The questionnaire is semi-structured, mostly with multiple choice answers and a few open questions. The aim of the research was to reach out to small, medium and large companies as well as employees and employers alike. The findings of the research are presented below, per country and a set of comparative conclusions

## *3.1. Key facts of respondents*

### 3.1.1. Austria

In total five answers were collected. Three questionnaires were filled out online. The remaining two were done in face-to-face interviews. Three respondents were shop owners and two were employees. The men-women-ratio was four to one. The age groups 21-30, 31-40 and 51+ were represented by one participant each, while the age group 41-50 was represented by two respondents. Two people have completed an apprenticeship, one is a graduate from a higher education institution and the remaining two have completed some other training programmes. The majority of the users work for companies of 50 or more employees. One of the respondents works for a medium sized company (21 to 50 employees) and one person in a small enterprise with less than 5 people.

### 3.1.2. Ireland

Eight respondents returned the questionnaire and two engaged in an in depth one-to-one interview over the phone. All bar three were either HR or Training Managers and had responsibility for rolling out new hire and on going company training and the sixth person was a store manager. Three had discretionary budgets that could be expended on non-core training as identified via individual developmental plans and annual reviews.

Of the respondents three were male, four were between 41 & 50, two were below 41 and one was over 50. All bar two of the respondents have completed a third level qualification and four have completed Masters Degrees in either Training and Development or HR.

All of the respondent companies are categorised as being large i.e. with more than 500 employees and all operated across multiple locations within Ireland.

### 3.1.3. Iceland

In total ten people started to answer the questionnaire but only four of them finished. All of the questionnaires were filled out online and their profession of those who filled it out were either employees or owners. Of those who finished the questionnaire three were male and one female. There were two participants in the age 31-40, both male, one female in the age 41-50 and one male under 20 years old. One participant has completed primary school and another has completed secondary school but two also completed vocational education. The majority or three participants, work for companies of more than 50 employers but one participant works for a smaller company of only 6-20 employers.

## 3.2. *Training frequency and importance of skills*

### 3.2.1. Austria

80% of the people questioned have recently been involved in a training activity; however the regularity of the training activities they participate in varies significantly. Two people replied that they attend trainings on a yearly base; two people reported that they attend training activities less than once a year (mostly very irregularly), while only one, who claimed to assist training very frequently, also indicated that he is involved in a trainee programme. The feedback was received that the frequency of trainings attended often depends on the hierarchy level and function within a company.

The contents of trainings are sales trainings, product information events as well as system introduction measures.

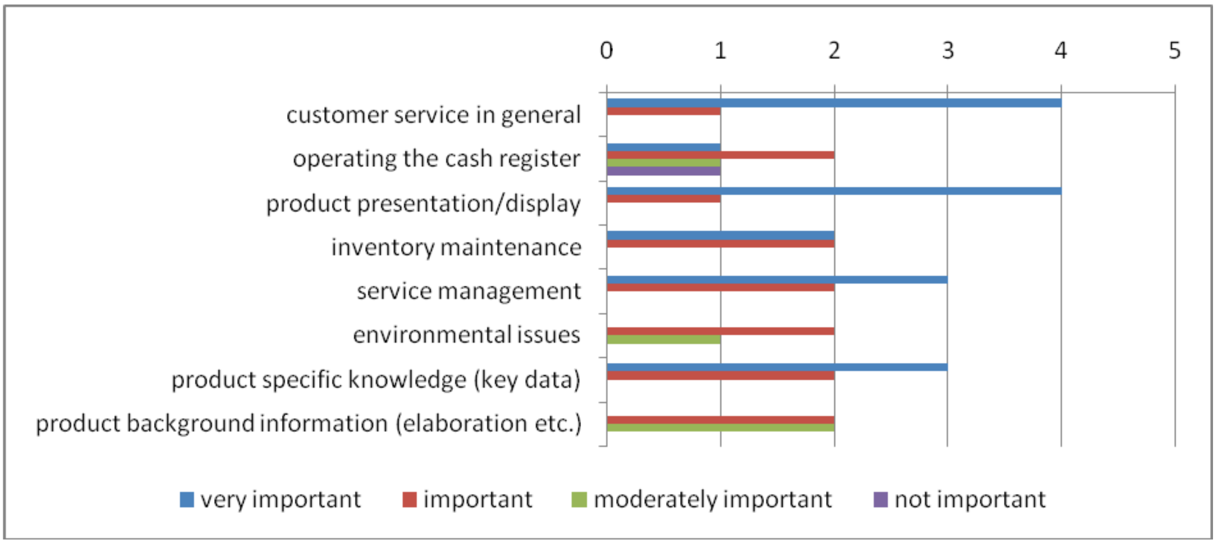


**Figure 5:** Employers' and employees' feedback regarding importance of skills in Austria

The graph above displays the feedback received from the respondents on the importance of each of the elements mentioned in the questionnaire. Based on the responses gathered, customer service and product presentation are the most important features in the retail sector. Service management, product specific knowledge and inventory maintenance ranked relatively high. The skills with the least importance according to this group were: product background information, operating the cash register and environmental issues.

### 3.2.2. Ireland

All employee respondents indicated that they had been involved in a recent training activity. Employer responses indicated that on average people received 1.6 days training each year and all did an induction of between one and five days. All had fulltime trainers and also had staff who did training in addition to their primary role.

All had well developed in-house training programmes for all employees which encompassed new hire and cross skilling training. In the new hire / core training the following were identified as being a part of the required training curricula - customer service, product knowledge, systems/processes training, selling skills, health and safety, cash handling, consumer legislation, communications and team working.

Three had in house management development training and three bought in customised / bespoke management programmes. One had a link with a third level institute which delivered and certified their Management Development. All were aware that there were some government subsidies available for certain types of employee training but only two had managed to avail of these subsidies.

#### 3.2.3. Iceland

75% of the people questioned, three of four participants, have recently been involved in a training activity. One participant took an excel course, one took a business related course and one took a course in salesmanship. Two of the participants usually participate in work-related training less than once a year and two of them more than once a year.

All the participants listed *customer service in general* as very important. Only three participants answered the question about *operating the cash register* and two of them listed it as very important and one as just important. Three of the participants listed *product presentation/display* as very important and one as just important. All the participants listed *Service management* as very important. Two of the participants listed *environmental issues* as just important and two as not important. All but one participant listed *product specific knowledge (key data)* as very important, one listed it as just important. Only three participants answered the question about *product background information (elaboration etc.)* and two of them listed it as important and one as not important. No one answered the question about the importance of *inventory maintenance.*

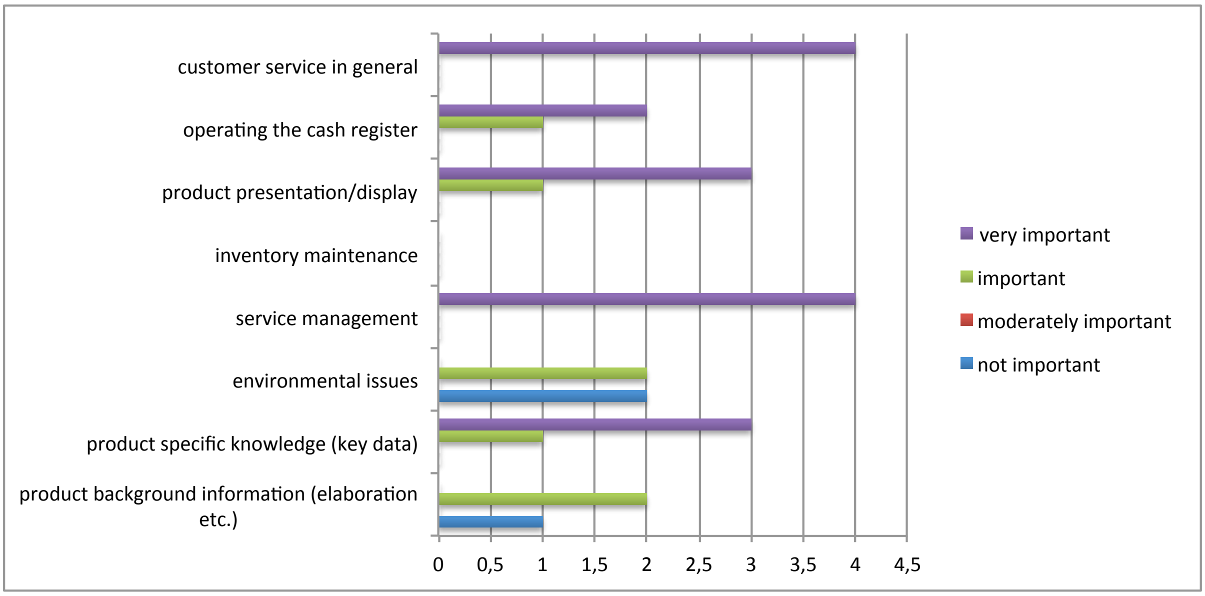


**Figure 6:** Employers' and employees' feedback regarding importance of skills in Austria

If you look at the histogram above you can see that the participants were unanimous about the importance of customer service in general and service management.

### *3.3. Quality, cost and trainings they would like to attend*

#### 3.3.1. Austria

The majority of the respondents consider the general quality of trainings offered in Austria as "good". During the interviews it was evident that the learners think the quality of training provided *"often depends on the knowledge of the trainer"*. It was also stated that special trainings designed and provided are very interesting and appealing to them.

The types of training they would like to attend are variable. One person said that they would like to attend further management trainings. Another person would appreciate further training on the use of intranets, as well as customer service

Only one of the respondents claimed that the cost of training should be handled by the employer. The other respondents said that the cost should be borne by *"the one who wants/needs the training - if the employer wants his employees to do it, then he should pay; if an employee wants to do it for their own reasons, they should pay themselves"*. The majority agreed to a case-by-case approach and even suggest measures with public co-funding.

#### 3.3.2. Ireland

The employee respondents rated the quality of training received from good to excellent. Some of the bigger organisations benefited from corporate training functions which produced training materials and content while others relied on the training managers to produce company specific products. External training courses were limited to management development and specialised courses such as IT skills, project management and quality assurance skills.

One indicated that they would like more specialised customer service training while the remainder identified personal development type of courses to assist them in career progression.

All were unanimous that the employer should pay the cost of training except for third levels course but even here they felt that the employer should contribute towards these courses as part of a personal development plan. This supports the status quo for educational funding in Ireland where the Government funds school, apprenticeships and fulltime third level education in full. There is some funding for vocational/job based training delivered by companies but the uptake of said funding is sporadic with only some of the respondents having availed of the funding that has been available for some years now.

#### 3.3.3. Iceland

The majority of the respondents consider the general quality of trainings offered in Iceland as good but one participant considers it low. Two of the participants gave examples of courses they've taken, one of them took an appearance course and he said that it was fun and the employers got to know each other. He also took a security and first aid course which he said was very informative, they saw real examples and learned first aid. The other participant said that the course should be short and fun, about salesmanship.

No one answered the question about trainings they would like to attend.

Three of the participants claim that the employees should cover the cost for retail specific training cost but one of the participant claimed that the employee and the employers should split cost.

### *3.4. Comparative results from the first part of the field research*

The total number of questionnaires returned (filled in completely) was 17. Ten of the respondents were male and seven female. The majority of them belong to the age group of 41-50 (8 people), while 5 people are 31-40 years old. Two people are below 30 and two more are over 50. The educational background of 7 people who replied to the respective question is higher education, 6 of them have undertaken several training programmes, one is a graduate from primary and another one from secondary education. Finally, the majority of the respondents (11) work for large companies, four for medium-sized companies and two for small.

Fifteen out of the seventeen respondents have been recently involved in a training course. The majority of them didn't specify what the training was about, but from the ones they did fill in the respective answer, the following were the most common replies were IT, sales and management. The tendency of annual training participation is rather inconclusive; four of the participants who replied to the question indicated that they attend a training course less than once per year and another four claimed they participate at least once a year. Only in Ireland the average people received 1.6 days training each year and all did an induction of between one and five days.

When it comes to rating the most important skills a person should possess in the retail sector, the one which received the higher ranking from the respondents of all countries was ***Customer service***, which was followed by the following:

- Product presentation/ display;
- Service management and
- Product specific knowledge

The last places were covered by the following skills (ordered from most to least important):

- Operating the cash register;
- Inventory maintenance;
- Product background information;
- Environmental issues

Overall, most of the respondents are satisfied with the quality of training currently provided in their country. Management, customer service and personal development courses were indicated as topics the respondents would like to follow during a training course.

Finally, the majority of the respondents confirmed that the cost of the training should be borne by the employer, in the sense that the knowledge gained would be capitalised in the workplace. Nevertheless, there were some comments which suggested that the cost should be borne by the one who needs it most (be it the employee or the employer), as well as some suggested the idea of co-funding the trainings.

# 4. Field research part 2:Immediate beneficiaries - Trainers and training providers/ HR managers in retail

The second part of the field research addressed the trainers, training providers and HR-managers in the retail business. The procedure was the same as explained above and the findings are presented in the paragraphs below.

## *4.1. Key facts of respondents*

### 4.1.1. Austria

The number of questionnaires collected was seven. Four people are trainers, one person represented a training provider and two are HR-managers. The gender distribution was almost equal with four men and three women. The age group was quite homogeneous with over 70% belonging to the age-group 31 to 40 years. The remaining two people belong to the group of 41 and 50 years old.

Company size and learners participating in training activities was quite homogenous. 70% of the respondents work for companies with 50 or more employees. The trainees who participate in trainings provided from the organisation they represent are 10,000 per year. The two remaining participants of the survey indicated that the staff of their organisation is between 6 and50 employees. These institutes have less than 500 learners per year.

The trainings they provide cover the following topics: sales, communication, customer service, languages, technical skills (retail centred), soft-skills, counselling and further adult and vocational education.

### 4.1.2. Iceland

In total ten people started to answer the questionnaire but four of them finished. All of the questionnaires were filled out online and their profession of those who filled it out were either employees or owners. Of those who finished the questionnaire the men-woman-ratio was three males and one female. There were two participants in the age 31-40, both male, one female in the age 41-50 and one male under 20 years old. One participant has completed primary school and another has completed secondary school but two also completed vocational education. The majority or three participants, work for companies of more than 50 employers but one participant works for a smaller company of only 6-20 employers.

## *4.2. Importance of skills in training*

### 4.2.1. Austria

A key question in this question was to find out how important certain skills are for this target group. The graph below shows clearly that the most important are social and communication skills. Vocational-related skills are more important than didactic skills. People additionally stated the importance of “customer services”, “self-awareness” and “reflection” (note: these may be considered to belong to one or more of the already mentioned ones).

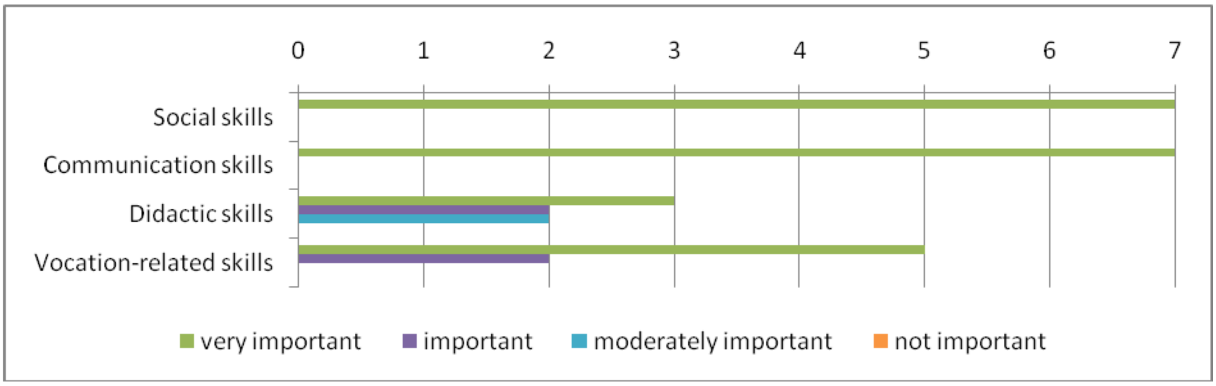


**Figure 7:** Importance of skills according to trainers, training providers and HR-managers in Austria

When this group of people was asked which skills and/or competences needed to be covered in retail training the answers mostly underlined the things already mentioned in the previous questions. Nevertheless, they also indicted: numerical skills, IT-skills, team-working and team-building, commercial awareness, entrepreneurship, customer care, project management and coordination/administration.

#### 4.2.2. Ireland

All respondents reported that social and communications skills were of paramount importance in training. In the one to one interviews respondents stated that as their trainers were in house trainers that their being acknowledged as subject matter experts, across a wide range of areas, was important for their credibility as trainers and also in relation to conveying the correct message to trainees. They were also seen as have a role as developing an appropriate culture within the organisation and being role models for the core values of the organisation.

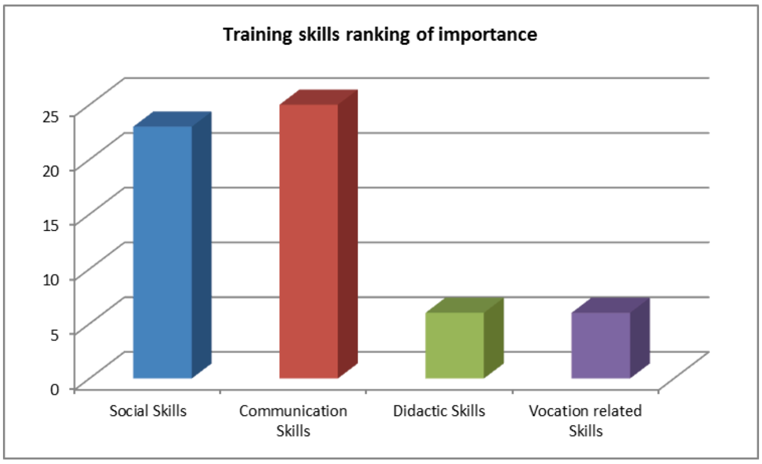


**Figure 8:** Importance of training skills rating-Ireland

#### 4.2.3. Iceland

In the questionnaire the participants were asked about the importance of specific skills in training. All but one said that *social skills* were important but one said it was very important. They all listed *communication skills* as very important. Three participants listed *didactic skills* as important but one listed it as very important. Three participants listed *vocation-related skills* as important but one as very important. They also had to indicate the importance of other skills, two participants answered that question. One listed it as very important and the other one as just important. The participants were asked what skills/competences need to be covered in retail training and only one participant answered and his answer was HR management, quality management, genereal computer skills.

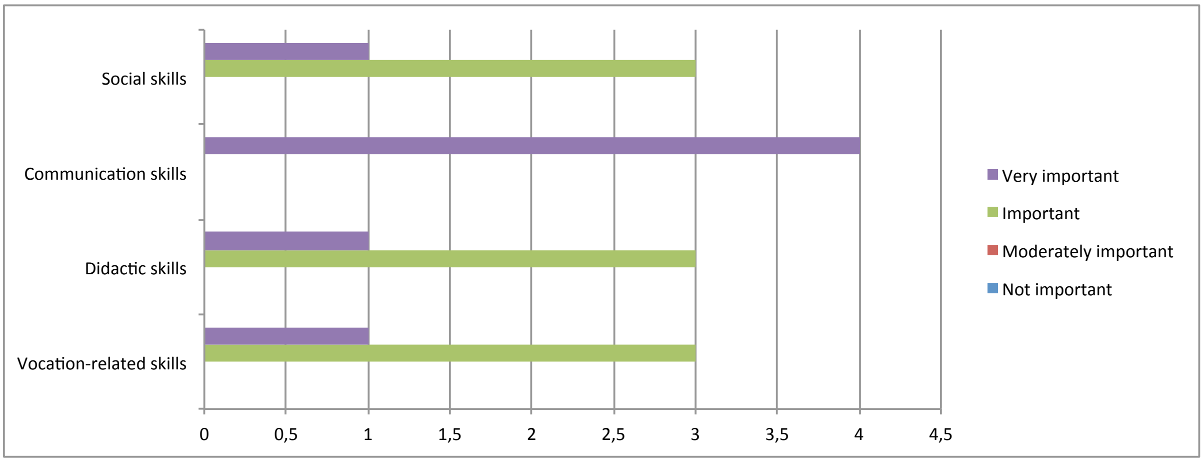


**Figure 9:** Importance of training skills rating-Iceland

If you look at the histogram above you can see that the participants were unanimous about the importance of communication skills.

### *4.3. Methods and materials used*

#### 4.3.1. Austria

The graph below shows how popular the proposed methods are among the trainers, training providers and HR-managers. It is clear that empowerment and workplace based actions are being used the most. CLIL, e-learning and m-learning are equally popular. The least often used method is ODL.

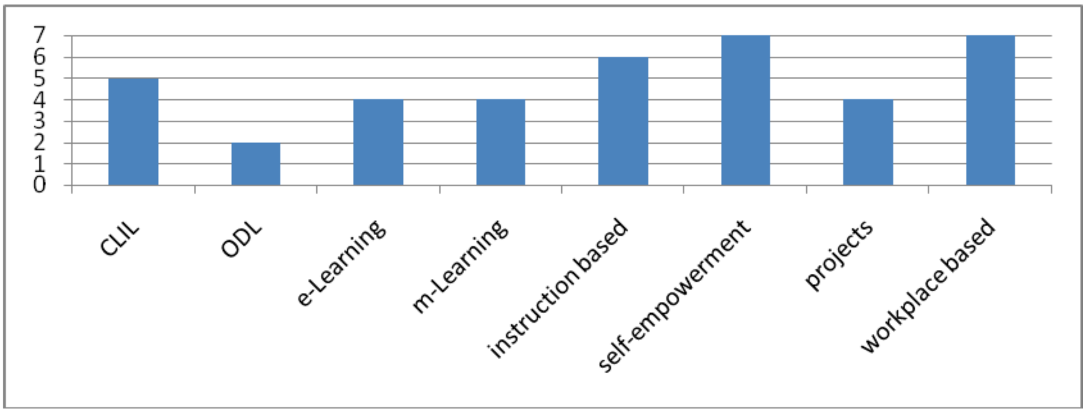


**Figure 10:** Popularity and use of learning facilitation methods-Austria

It is very interesting to observe that all of the respondents use their own materials. About 70% of them also use ready-made materials.

#### 4.3.2. Ireland

The survey responses show that in these organisations there was a reliance on traditional training methods i.e. all respondents stated that they predominantly used instruction and work place based training methods. Three respondents stated that they used e-learning to some extent.

All respondents reported that they used in house materials.

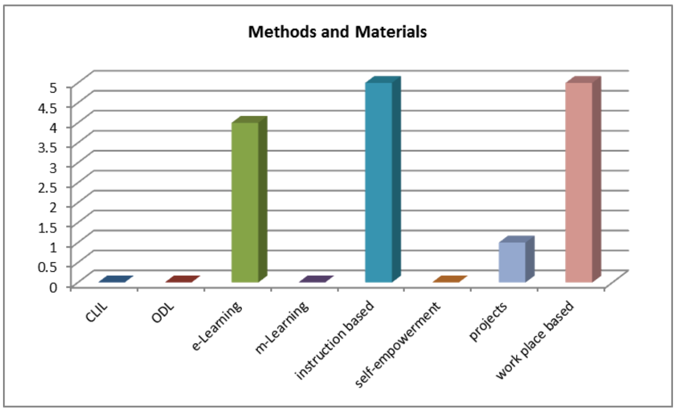


**Figure 11:** Popularity and use of learning facilitation methods -Ireland

#### 4.3.3. Iceland

Two participants answered the question about what methods they apply in their training activities, their answers were following:

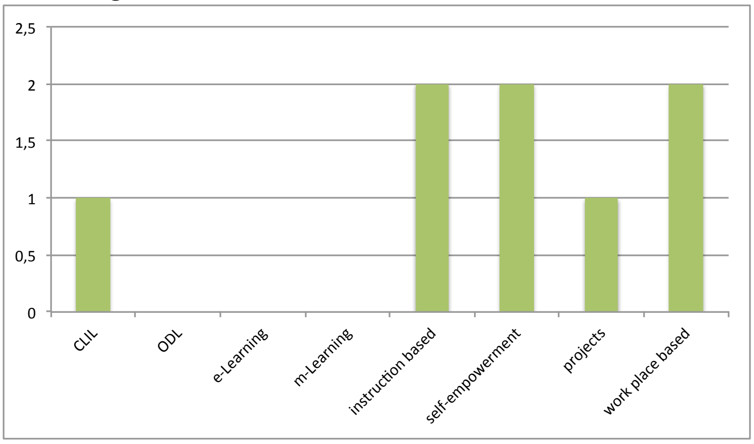


**Figure 12:** Popularity and use of learning facilitation methods-Iceland

Like the histogram above shows no participant uses ODL, e-learning or m-learning. One uses CLIL and projects and both the participants that answered this question use instruction based, self-empowerment and work place based methods in their training.

Most of the participants use their own material but one participant uses no additional materials. Two participants answered when they were asked to specify about their material, one uses material that he put together using material from the Retail management studies at Bifröst University, he also uses material from his suppliers. The other uses material from the University of Bifröst.

### *4.4. Importance and cost coverage*

#### 4.4.1. Austria

It is noteworthy that the group of respondents in this part of the survey agreed that retail training is very important for employers and employees alike. 70% of the respondents also found that the stakeholders group also includes customers, chambers and entrepreneurs in general. Training increases the quality and reputation of a business or commercial sector.

The opinions regarding cost coverage were divided. Some of the respondents believe that the employers should pay for the training of their employees. Three respondents believe that they the cost should be split between the employer and the employee. Other funding options were also mentioned, such as public subsidies, to cover part of the cost.

#### 4.4.2. Ireland

All respondents ranked training as being of the highest importance to employers and slightly less so to employees.

All agreed that employers should bear the cost of training. All were aware that there was some government funding available to support employee training but only two had managed to avail of this training and then it was for non-core/personal development types of content i.e. IT training.

#### 4.4.3. Iceland

Three participants answered when asked about the importance of retail training for employers and employees. They all listed retail training for employers as very important, they also all listed retail training for employees very important. One of them also said that retail training for others was very important and he specified others as customers, where they can get professional service.

When they were asked who should cover the cost only three participants answered. Two of them said that employers should do it but one of them said that employers and employee should split the cost.

The participants were asked to answer some questions about some of their training courses, two of the participants answered. One gave an example about a leadership course which was financed by employers, the target group was station managers and store managers. The framework was meetings and then a follow-up in every store. The other participant gave an example about on the job training that is when some group is thought everything about a specific matter. Sometimes they had manufacturers here from abroad to introduce their product. Each course is about 1.5 hours so people will keep focus during the course. Cost is minimal but they never look at courses as expenses because of the growth experienced in sale after each course, in their experience it is not expenses but an investment.

### *4.5. One to one interviews-Ireland*

The interviews sought to identify the knowledge, skills and competencies the respondents identified as being required by in-house trainers and where they saw a gap. Both agreed that trainers tended to be picked based on their subject matter expertise rather than their ability to communicate and teach. It was felt that in the main it was believed within their organisations that teaching skills can be added on more easily than subject matter expertise.

They stated that existing Train the Trainer training had focussed in the main on presentation skills and little if any attention had been given to the skills for identifying core training needs, the design of appropriate training strategies and interventions and critically on how to assess and evaluate learning outcomes.

Both were aware that there was FETAC Level 6 Training the Trainer Certificate but neither had used this – mainly because of the costs involved.

In the main both believed that if trainers could improve their ability to develop the ability to design appropriate training strategies and methods and assess the applications of the relevant knowledge and skills then the role of the trainer would be greatly enhanced within their organisation.

They also felt that training delivery was still very much dependent on a “Chalk and Talk” style of delivery and that more focus could be given to other methods of training delivery i.e. e-learning or blended approaches.

Both reported that they felt that ‘On the Job’ training was tackled using pretty much to a ‘Sitting by Nellie’ approach and that this aspect of training, where the training is delivered on the shop floor in a live environment, could be improved.

### *4.6. Comparative results from the second part of the field research*

The total number of questionnaires gathered was 11, 7 of which were male and 4 female. Six respondents belong to the age group of 31-40, 4 are between 41 and 50 years old and one person is over 50 years old. Six of them work for medium sized companies, one in small sized and two in large companies.

The respondents from all countries identified Communication Skills as the most important in training, followed by Social Skills. The last two in the ranking were vocational related skills and didactic ones.

The figure below illustrates which are the methods and materials they most frequently apply in their training activities. The most common training method among the partner countries is work based learning, followed by instruction based. Then self-empowerment is practiced, followed by projects. The last positions are covered by eLearning, CLIL, m-Learning and ODL.

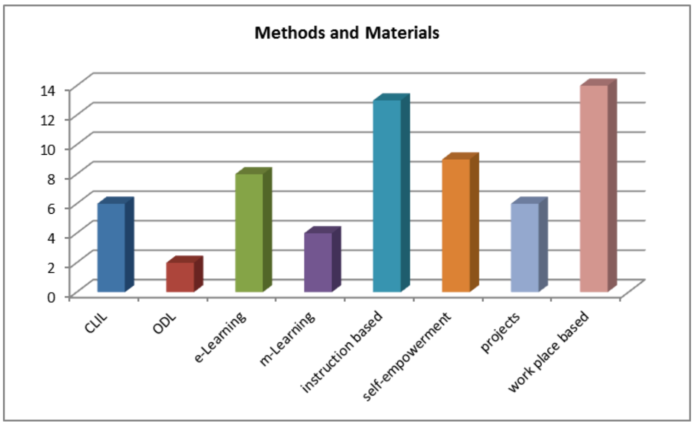


**Figure 13:** Training activities applied

Finally, all respondents feel that training in the retail sector is very important, especially for employers, since training increases the quality and reputation of a business in the sector. The answers to the question on who should bear the cost of the training are somewhat divided; however there is a tendency to suggest that employers are the ones who should bear the cost of any training for their employees, given the added value they have on a long-term basis. Moreover, other funding solutions were also suggested, such as co-funded training programmes and public subsidies.

It can be said that the results of the gap analysis are significantly convergent for all partner countries. It has been evidenced that the stakeholders of the retail sector perceive specific skills as the most important ones for employees in the sector and these are clearly customer service, Product presentation/ display, service management and product specific knowledge.

They also recognise that the trainer should possess specific skills in order to be able to effectively train their learners, and these are communication and social skills as prerequisites.

Finally, the importance of training has also been highlighted, while also underlining the need for the provision of courses of high quality. It is recognised that employers have much more to benefit from the training of their employees; therefore, the cost of these trainings should be borne by the employer.

### *4.7. Recommendations*

Based on the analysis of the findings from the field research, the employees in the retail sector are in need of training, in order to improve their skills and competencies, consequently enhancing their qualifications and improving their position in the labour market. In the participating countries the vocational education provided for people involved in the retail sector is either very limited or disconnected from the actual needs of the labour market. Moreover, the desk research has revealed the following key facts:

- In Austria, although training programmes exist for employees, it is not a requirement to go through specific training in order to get a job in the retail sector. Most of the training occurs on the workplace. The only requirement is a formal training on entrepreneurship.
- In Ireland there are very limited opportunities for employees who enter employment without a third level qualification to undertake formal education and training as part of a structured career path, other than what is required to become proficient in a given role. Apart from the traditional technical trades there is no apprenticeship system for those in the retail, hospitality, agriculture or construction sectors.
- In Iceland, a recent analysis of the main obstacles for the development of retail education show the lacking connections between the retail businesses and the vocational schools. All stakeholders involved agree that the education provided in schools lack connection in the working environment.

It is evident, therefore, that both parts of the field research, as well as the desk research validated the need for the development of a targeted course to enhance the skills of the professionals involved in the retail sector, with the objective to maximize their performance and position.

The most appropriate target group for the pilot phase of the project is employees of small retail shops over 30 years old who have acquired an apprenticeship or have completed a VET course. They should also have experience in the sector, of over five years, to make sure the added value from the course developed is significant and they can immediately put the knowledge gained into practice.

The training course to be developed should aim at enhancing the skills and competencies of the employees in the sector, focusing on the following aspects:

- Customer service
- Service Management,
- Product presentation/ display and
- Product specific knowledge (key data).

When it comes to the means to be used, the majority of the respondents from all countries feel much more familiar with workplace and instruction based training activities. For that reason, the course should be created as a flexible system combining face to face trainings, on the job learning (be it mentoring or job shadowing) and accompanied by an online supporting module or a blended course. The ratio of each training methodology should be decided on a country basis, depending on the profile of the respondents of each country.

Learning materials should be made available for the participants to access at any time and manage their own learning pace, especially considering the fact that if not all of them, then definitely the majority are working and would favour a more flexible learning path. Therefore, it is recommended to develop a course which can be easily applied within the work place and be assisted by eLearning parts, for issues of convenience and time management of the learners.

Moreover, as far as teaching skills are concerned, it was evidenced that the most important ones to be enhanced are **Social** and **Communication** skills. The focus was less put on didactic skills and vocation-related ones.

Finally, it is very important both for the learners as well as the teachers the course be of high quality, providing essential and useful knowledge to the learners and becomes important for both employers and employees, providing significant added value.

# 1. Glossary

Regarding learning types, the glossary of CEDEFOP (2000) and the Communication of the European Commission (2001)[5]give the following definitions, of which the first two shall be considered in this project:

***Formal learning*** is defined as learning that occurs within an organised and structured context (formal education, in–company training) and that is designed as learning. It may lead to a formal recognition (diploma, certificate). Formal learning is intentional from the learner's perspective.

***Non-formal learning*** refers to learning which is embedded in planned activities that are not explicitly designated as learning, but which contain an important learning element. Non-formal learning is intentional from the learner's point of view.

***Informal learning*** is defined as learning resulting from daily life activities related to work, family or leisure. It is often referred to as experiential learning and can, to a certain degree, be understood as "accidental" learning. It is not structured in terms of learning objectives, learning time and/or learning support and, typically, does not lead to certification. Informal learning may be intentional but in most cases, it is non-intentional (or 'incidental'/ random).

[5]CEDEFOP (2000) Glossary, in Making Learning Visible (Thessaloniki, Cedefop) and European Commission (2001) Communiqué Making a European Area of Life-long Learning a Reality, (Brussels)

## 2. Appendices

**Country report– framework**

(Composed as a result from the desk and field research)

1. **Description of research (time frame, activities, sample description)**

2. **People working in retail in each country (total # and % of workforce)**

   Demographic data (male/female, age) in this sector

   What training/education they have

   Tendencies and general observations (relevant studies)

   Needs and wants identified (prevailing studies) regarding training of skills to better perform their work

   Any other aspect of interest/ challenges

3. **Details about the retail sector in each country**

   a. What sub sectors are there (size, market distribution if relevant)

   b. What challenges – in relation to the training – do they have?

   c. The 'training instructor' in partner countries and in retail today

   d. Retail companies' preferred model to implement a staff member as new ‚trainer'

4. **General description of the educational system regarding the retail sector (i.e. existing formal or non-formal[6] schools or apprenticeship programmes) embedded in the school system**

   a. Country policies

   b. Strengths and weaknesses

   c. Main methods and tools used

   d. Any other aspect of interest/ challenges

   e. Minimum skills/competences for new trainers in the retail business

[6] See definition in glossary

**5. What courses are already being offered/attended by employees in the retail sector?**

[Identify at least 3courses – or training initiatives - and describe them. These courses should be listed in a table by using the following grid]:

| |
|---|
| a. Name &abstract/content description,<br>b. Duration & Cost & how is it being financed (public, trainee, employer etc.)<br>c. Target group & How popular is it?<br>d. Frame-work (formal, non-formal, part of an extended curriculum, online/presence etc.)<br>e. Provider (incl. link)<br>f. SWOT (strengths – weaknesses - opportunities - threats)<br>g. Other aspects of interest to RETRAIN |

**6. What other (national or international) projects are there on the same/related topics?**

| |
|---|
| a. Name & abstract/content description,<br>b. Duration & cost & how is it being financed (public, trainee, employer etc.)<br>c. Target groups<br>d. Frame-work (formal, non-formal, part of an extended curriculum, online/presence etc.)<br>e. Provider (incl. link)<br>f. Results – short summary<br>g. SWOT (strengths – weaknesses - opportunities - threats)<br>h. Other aspects of interest to RETRAIN |

## 7. Stakeholders

| Nr | Name of organisation<br><br>(city, country) | Type of institution | Activity of stakeholder – that field/ area of interest to the project | Level and details of potential involvement |
|---|---|---|---|---|
| | | | | |

## 8. Other details of interest

## 9. Recommendations (for the RETRAIN curricula/ learning model)

## 10. References, links

**Draft questionnaire framework - RETRAIN**

*NB: partners should have the possibility to use these questions as a semi-structured guide, to be used in hard copy or electronically in their adapted version, still covering the following main aspects.*

### A. Questionnaire employees/retailers

| ***For employees*** | ***Remarks*** |
|---|---|
| | *Please tick the appropriate answer (in an online survey) or provide details here below in the face to face version* |
| **Company or individual?** | |
| **Demographic data**<br><br>M/F<br><br>Age (below/ up to 20, -30, -40, -50, 51+)<br><br>Level of education (primary, sec., HE, other – please specify) | |
| **Size of company working for**<br><br>(Fewer than 5 employees, -20, -50, 51+)<br><br>Unemployed | |
| **Training activities in retail**<br><br>Participated in retail specific training (Y/N), last training [title, please specify]<br><br>Frequency of training actions (1x / year, more frequent, less frequent) | |
| **Skills required in retail (rate the importance on a 1-4 scale; 1 very – 4 not at all important)**<br><br>Customer service in general<br><br>Operating the cash register<br><br>Product presentation/display<br><br>Inventory maintenance<br><br>Service management<br><br>Environmental issues<br><br>Product specific knowledge (key data) | |

| | |
|---|---|
| Product background information (elaboration etc.)<br><br>Other (please specify + rate) | |
| **Training activities available on the market**<br><br>1. Rate quality of trainings offered (mark if not available/known) Answer options: not available / quality 1-4 (**1 very high – 4 very low)**<br><br>2. State examples for training actions (good practices); please specify what is so good about them (the methodology, the people, the environment, the contents and material, other…) | |
| **What other training would you like to attend?** | |
| **Who should cover the cost for retail specific training actions?**<br><br>Employers, employees, split cost, other (please specify) | |

### B. Questionnaire trainers/training providers/ HR managers

| ***For trainers*** | ***Remarks*** |
|---|---|
| | *Please tick the appropriate answer (in an online survey) or provide details here below in the face to face version* |
| **Trainer, training provider or HR manager?** | |
| **Demographic data**<br><br>M/F<br><br>Age (below/ up to 20, -30, -40,-50, 51+)<br><br>Number of learners p.a. (in organisation)<br><br>Special training topic you are involved in? (please specify) | |
| **Size of company working for**<br><br>(Fewer than 5 employees, -20, -50, 51+) | |
| **Skills required in training (rate the importance on a 1-4 scale)**<br><br>Social skills<br><br>Communication skills<br><br>Didactic skills<br><br>Vocation related skills<br><br>Other (please specify + rate) | |
| **What other skills/ competences need to be covered in retail training?** | |
| **Methods applied (Multiple Choice)**<br><br>CLIL, ODL, e-Learning, m-Learning, instruction based, self-empowerment, projects, work place based<br><br>Other (please specify) | |
| **Materials used (Multiple Choice)**<br><br>Own material (how would you describe it – innovative, client oriented, work related, tailor-made…)<br><br>Purchased/ existing material (hand books etc.) (please specify) | |

| | |
|---|---|
| No (additional) material | |
| **How important is retail training for (rate the importance on a 1-4 scale; 1 very – 4 not at all important)**<br><br>Employers, employees, others… (please specify) | |
| **Who should cover the cost for training actions?**<br><br>Employers, employees, split cost, other (please specify) | |
| **Good practices (space for at least 2)**<br><br>Which? Strengths & weaknesses?<br><br>a. Name & abstract/content description,<br><br>b. Duration & Cost & how is it being financed (public, trainee, employer etc.)<br><br>c. Target group &how popular is it?<br><br>d. Frame-work (formal, non-formal, part of an extended curriculum, online/presence etc.)<br><br>e. Provider (incl. link) | |