

Michel Hartmann (IEE) Nathalie Moraux (Banque Degroof Luxembourg)

Jean Junck (IFCC) Daniel Oudrar (Creyf's)

## STAFF PROMOTION

# THE COURSE IMPULSE

Training and continuing education certainly give a new impulse to employees' careers. But they do not necessarily correspond to the company's strategy and objectives.

Training and promotion are a part of the company and employee dynamic. They also seem to go together, one inducing the other.

Perceived more and more as a prominent part of the company's strategy, training has become a key factor in the development, competitiveness and survival approaches of organisations.

Therefore, human resources representatives are often appointed to the company's executive committee. In return, they plan and implement the yearly training programmes and process in accordance with the decisions regarding the enterprise's future.

A promotion is an employee's advancement in rank or position in a company. One of the main reasons for promotion is a reward conceded to an employee for good performance.

Before promoting its staff to a particular position, the organisation ensures that the promoted person is trained enough to handle his or her new responsibilities.

Are training and promotion linked? How can training affect someone's career within a company?

"Training is a part of the company's strategy," says Nathalie Moraux, Human Resource Director at the Banque Degroof Luxembourg. "It must necessarily bring a real added value to the organisation."

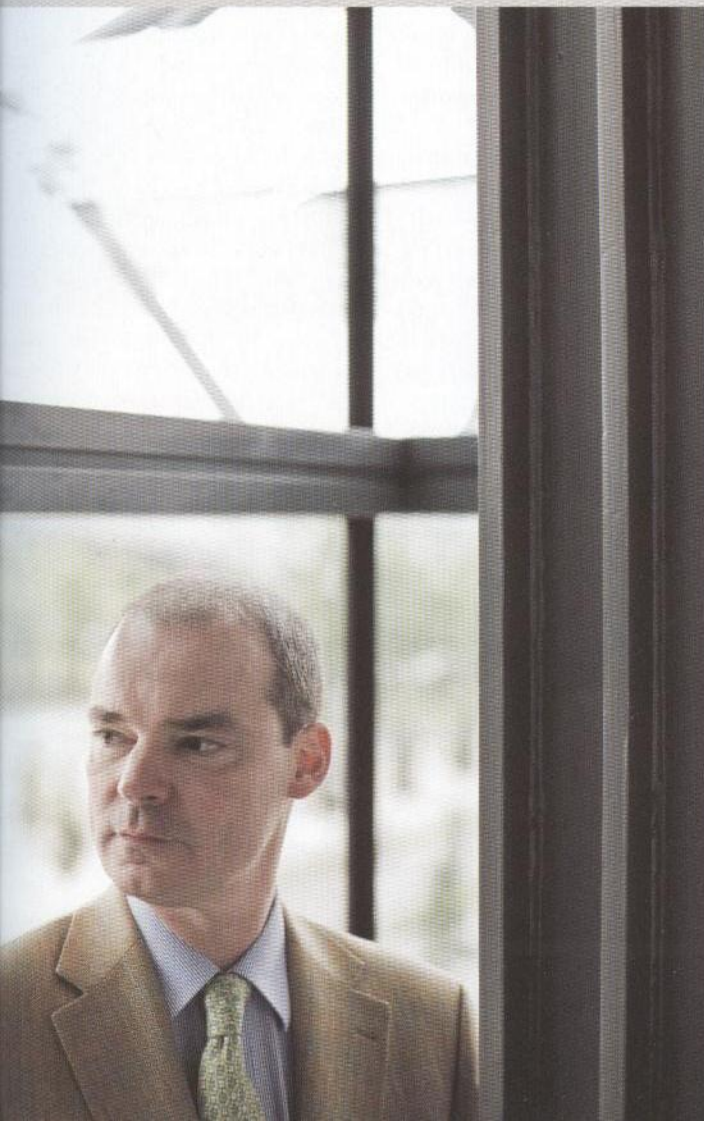
Indeed, companies which implement a training programme aim, above all, to reach objec-

tives in line with the global company strategy. The training approach might therefore take different forms depending on these objectives.

## Staff employability

"Training is an integral part of our company and its subsidiaries," explains Daniel Oudrar, Executive Director of Creyf's Luxembourg – a subsidiary of the USG people group, an international network of temping and recruitment agencies. "It is integrated into the group's culture, as well as in the personnel's curriculum. It mainly consists of educational training programmes, which focus on professional skills and processes development."

Having a same line of competencies and expertise within an international group is not that easy. For this reason, the group set up a general audit of internal skills, which began on 1 June and will end in July 2008. "It is a general photography of the concrete levels of knowledge and skills, which apply within the company and need to be implemented, according to a development plan," Daniel Oudrar commented. "In a first step, the whole staff will be tested in its working environment, the objective being to reach a sufficient level of training that guarantees a level of quality and certification. This training approach aims to give a minimum homogeneous level of expertise to the whole group's staff."



## IT'S TIME FOR A REFORM!

Based on a 60-year-old Grand Ducal order (8 October 1945), Luxembourg's education system is about to be reformed.

A new bill on vocational training – soon to be passed – introduces the concept of lifelong learning, with an approach based on competence acquisition.

This reform will implement on the national level the Lisbon strategy objectives (2000), which the European Union set as a major strategic goal for 2010, "to become the most competitive and dynamic knowledge-based economy." This comprises a detailed work programme ("Education & Training 2010"), aiming to organise the European education and training systems around quality, access, and openness. The broader objective is to adapt the education and training systems to the knowledge-driven society and economy.

This new vocational training system must allow everyone to acquire training, to complete it and to improve it, at any stage of their professional career. The new system will include four professional training forms: basic professional training, initial professional training, continuous professional training and professional reconversion training.

According to the legislator, this new system is expected to last at least two or three decades.

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Training is used as a tool to increase the staff employability and professionalism, which might in return give the employee a chance for promotion.

"Training is also part of the company's strategic development and of its performance improvement," explains Jean Junck, executive committee member of the Institut de Formation de la Chambre de Commerce (IFCC), the training arm of Luxembourg's Chamber of Commerce. Created in 2003 with the objective to develop educational training activities, the IFCC welcomed in 2006, 6,800 participants – 70% sent by companies, 30% coming on their own initiative.

Training allows the development of knowledge and professional skills to make the company successful. "It is therefore a tool and an instrument of performance," Jean Junck recognises.

"Training can be an anticipative tool," Nathalie Moraux says. "We follow the company's strategy and constitute a pool of competencies that might be operationally ready if needed."

Training can be risk-oriented: it might reduce the number of human, operational and security risk failures at the workplace. And thus it creates a beneficial effect on the company's costs and productivity.

What is the effective impact of training on the company's performance? "Unfortunately, it is not possible," Daniel Oudrar affirms. "It is nevertheless important that employees understand the functioning of the company and therefore get more involved in the internal training process."

Some training programmes might not be compulsory and might remain at the employees' discretion. "The objective is not to penalise our staff, but to give them all the means to learn by encouragement and by a training follow-up," Daniel Oudrar says.

## Win-win approach

What are therefore the main benefits of training for the employees? "Training creates a win-win dynamic for both the company and its staff," Jean Junck explains. "It is a knowledge complement, which the employee owes to integrate and manage in terms of performance and of know-how capital."

Human resources departments recognise that employees are interested in training and also regularly request course programmes that might help them to refresh or improve some personal and professional skills as well as bring a better comprehension of their day-to-day activities.

These requests are usually received and followed up by both the HR department and the unit manager during the monthly review meetings or yearly appraisals.

Nevertheless, the employees can sometimes perceive training as an obligation, a surplus of stress and as non-paid extra work time.

Companies also do not hesitate to plan evening and weekend training sessions for their employees in order to bring extra expertise and certification that might allow the organisation to win a contract or enter a new market.

Unfortunately here, employees do not take part in the final decision regarding the training choices and initiatives of their companies, usually service providers. As it is very specialised and technical, such training might therefore appear to have a business or a competitive purpose. Surely not as a possible opportunity for a future promotion.

"Staff shall be fully involved in the training process. It is a necessary responsibility," Nathalie Moraux says. This involvement, it seems, has usually no impact on the staff remuneration and bonuses. Some employees may turn to other education channels to fulfill their needs and expectations. Individual training initiatives taken by the employees themselves and financed on their own budget have become a growing trend over the past years.

"For about four to six years, employees have become aware of the possibilities life-long learning programmes offer," Jean Junck explains. "We can measure this new demand on training and vocational programmes, through the very strong increase of individuals attending the evening classes."

Such individual strategies might not necessarily take the company's objectives and training programmes into account. And might follow some expectations (promotion, salary rise, or even a complete professional reorientation) the company might not fulfill. But organisations shall positively take these single initiatives into account.

*"We no longer speak about promotion, but rather of career development," Jean Junck states.*

How do companies recognise, encourage or value these individual initiatives? *"We don't consider our employees as tools,"* says Michel Hartmann, Human Resources Director at the IEE, a company specialised in automotive safety sensing systems for occupant detection and classification. *"We want to privilege the knowledge-based worker approach."* The *"worker knowledge approach"* regards the staff more as a brain and not as a device. The idea behind the concept is to create a mindset of employees with an academic background. Thanks to their educational background and level, these are used to learn and integrate new information and skills. *"If people are interested in attending new training, also on their own initiative, we might encourage and support them."* Michel Hartmann says.

Can therefore an attended training programme lead to a promotion?

Modern organisation structures do not allow possible rank or position advancement any more. *"Companies adopt more and more the flat hierarchical model."* Daniel Oudrar notices. *"Promotion therefore loses its sense and even tends to disappear. This is particularly true for small or medium-sized firms."* Thus, staff movement becomes rather transversal inter-competence orientated.

But within bigger organisations promotion programmes remain. *"Our promotion process follows two different directions,"* Michel Hartmann says. The first one is not directly seen as a promotion, but more as a horizontal workplace change within the company. *"Before benefiting a vertical promotion, employees have to spend some time in one of our foreign subsidiaries,"* Michel Hartmann explains.

This training on the field is considered as an asset that brings a wider experience of the company, its actors and functioning.

The second promotional direction follows the internal organisation, and is strongly related to a matrix. Promotion will then be initiated according to defined criteria and through a mentoring programme. *"We offer training, which prepares our employees for manager or*

*expert functions."* Michel Hartmann says. *"We prepare them for a future career in a specific domain."* About 30 assessment sessions are organised each year within the IEE to specifically detect and accompany the promoted staff.

## Subtle process

This is according to the strategy and objectives of the organisation. *"But training does not lead to an automatic promotion,"* Nathalie Moraux explains. *"Even if employees are conscious of how important training can be, the company implements and follows its own promotion strategy, in accordance with its business and operational objectives."*

*"Training must serve the versatility and the performance of the company,"* Michel Hartmann says.

Therefore, training usually follows a promotion: *"It is a question of accompanying the promoted in its new responsibilities, which are very often management ones,"* Nathalie Moraux says. *"And to provide him or her with a programme of soft skills acquisition."*

Conversely, training programmes can eventually be implemented in association with a planned or already realised promotion. These situations are rare. They concern potential high profiles who have been detected within the company and are given the chance to prepare for new responsibilities.

Training and promotion strategies shall serve the company's objectives and performance. Nevertheless, both remain strictly separate from one another, with some rare exceptions, including one main one: when a training programme accompanies a new promoted manager or director.

The other way around remains even rarer and therefore subtler: *"Training helps us to measure the degree of motivation and interest employees invest in their work and within the company."* Nathalie Moraux says. *"It is about the way the person will be involved on the field and integrate these new skills in his or her day-to-day activity."* || Marc Auxenfans