Training programs: the key to achieving ILO goals

The ILO continues to emphasize the importance of training in helping workers acquire skills to enable them to choose productive employment, and as a way of accomplishing its social goals.

Allan Salt was director of the ILO's Training Department from 1991 to 1994. The views expressed in this article are the author's and are not a statement of the views of the U.S. Department of Labor or the Bureau of Labor Statistics.

The International Labor Organization (ILO) has always considered training an important tool in achieving its goals to improve working conditions and promote social justice. Indeed, the ILO Constitution declares vocational and technical education a principal way to attain these goals.

The 1944 Declaration of Philadelphia renews ILO's training objectives and puts this mandate in an economic context, proclaiming ILO's obligation to advance world programs that advocate achieving full employment and raising standards of living; employing workers in occupations in which they can use the "fullest measure of their skill and attainments and make their greatest contribution to the common well-being"; and guaranteeing facilities for training and the transfer of labor. These objectives have been restated in numerous Conventions and Recommendations adopted over the years, some of which directly address training.

The ILO emphasizes the importance of training in achieving social goals, such as equal opportunity for workers in acquiring skills that will allow them to choose productive employment. It recognizes that training must be efficient and consistent with national economic and other policies. For example, Human Resources Development Convention 142 (1975) stipulates that vocational guidance and training policies and programs "shall take due account of" employment needs, opportunities and problems, both regional and national; the stage and level of economic, social, and cultural development; and the mutual relationships between human resources development and other economic, social, and cultural objectives.

Given this mandate, ILO's research, information, advisory and, particularly, technical cooperation activities have been to improve the economic efficiency and relevance of vocational training as a necessary condition for promoting its social aspects. The ILO has been less concerned with improving training methodology, leaving this task to more specialized organizations. However, it keeps up with developments in new instructional methods and shares this information with member states and, where appropriate, helps the states adapt innovative approaches to their specific circumstances.

Expenditures for technical cooperation

Before World War II, the ILO's primary means of influencing training was to emphasize its importance in achieving the objectives of international standards. These standards covered aspects of training and vocational guidance for numerous groups, including agricultural workers, apprentices, young workers, maritime workers, fishermen, and the disabled.

A modest research and publications program was undertaken, primarily to support conferences and meetings. Following the war, the ILO steadily increased its analytical and advisory involvement in training, first as part of a contribution to post-
war reconstruction and later in an effort to speed economic development in underdeveloped areas of the world. The United Nations and other donor programs began expanding in the 1960's to meet the development needs of the growing number of newly independent countries, as did ILO expenditures for technical cooperation, which peaked at nearly $170 million in U.S. dollars in 1991.

The following summarizes the growth and recent decline of the ILO technical cooperation program, as measured by expenditures:

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditures (thousands of U.S. dollars)</th>
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<tbody>
<tr>
<td>1950-51</td>
<td>$341</td>
</tr>
<tr>
<td>1960</td>
<td>3,485</td>
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<tr>
<td>1970</td>
<td>29,946</td>
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<tr>
<td>1980</td>
<td>99,392</td>
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<tr>
<td>1990</td>
<td>152,175</td>
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<tr>
<td>1991</td>
<td>169,877</td>
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<tr>
<td>1992</td>
<td>163,550</td>
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<tr>
<td>1993</td>
<td>148,670</td>
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Source: Annual reports of the director-general on the activities of the ILO.

The ILO complemented its growing program of technical cooperation with a substantial increase in its dissemination of research and information. For example, studies focused on rural community development, modular training techniques, training needs assessment, and the informal sector. More recently, priority has been given to applied research (and reference materials) aimed at strengthening national capacity for policy analysis, improving the efficiency of public training systems, and increasing training opportunities for women and other specific groups.

### ILO training activities

ILO training activities are classified by the responsible organization, rather than by the nature of each activity. This, vocational training expenditures primarily reflect expenditures by two vocational training units, while training expenditures related to cooperatives, hotels and tourism, or small enterprise development are attributed to those units.

During the first 20 years of technical cooperation, about half of all ILO expenditures for technical cooperation were for vocational training, primarily for craft and related trades workers. As ILO technical cooperation expanded to other program areas such as management development, workers' education, and cooperative development, its share of vocational training projects declined. For example, vocational training projects accounted for 38 percent of ILO technical cooperation and 35 percent of international experts assigned to

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### The ILO concept of vocational training

Most definitions of vocational training emphasize its role in developing job- or occupation-related skills to distinguish it from general education—which teaches cognitive skills. However, these distinctions are becoming increasingly blurred. One widely used basic definition describes vocational training as "...the systematic development of the attitudes, knowledge and skill pattern required for a job."2

Obviously, this definition could cover nearly all occupations, from the highly skilled professional to the unskilled laborer. The various vocational training activities are separated by skill levels, the relative shares of general education and the job-specific content, and location of the training site. The ILO training community normally considers vocational training to cover job-related skills of occupations up to the technician level.

Because of the scope and complexity of vocational training, the ILO has opted for a broad definition. The Human Resources Development Convention of 1975 states that "each member shall gradually extend, adopt and harmonize its vocational training systems to meet the needs for vocational training throughout lifetime of both young persons and adults in all sectors of the economy and branches of economic activity and at all levels of skill and responsibility." It further states that members "shall establish and develop open, flexible and complementary systems of general, technical and vocational education, educational and vocational guidance and vocational training, whether these activities take place within the system of formal education or outside it."

The advantage of the comprehensive ILO concept of vocational training is the importance it implies for investment in workers' skills and abilities in implementing numerous international standards and in achieving ILO program objectives. Because of its broad definition, the concept of vocational training requires careful use of training terminology and a clear statement of objectives when considering specific training interventions.
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projects in 1978, compared with 12 percent of technical cooperation and 15 percent of international exports in 1992. But because training also has been an important component of the expanding areas of technical cooperation, approximately half of total ILO technical cooperation has continued to account for training programs (including vocational training).

The continuing importance of training is illustrated in an assessment of 11 ILO technical cooperation projects that are not classified as training projects, although they include a training component. The assessment indicates that between 19 percent and 75 percent—an average of about 45 percent—of the projects' budgets were devoted to training.6

Typical early vocational training projects emphasized the preparation of training legislation, establishment of national training organizations, and development of pre-employment training centers to prepare young people for work in occupations such as masonry, carpentry, plumbing, pipefitting, welding, automotive repair, air-conditioning and refrigeration, and radio and television repair. ILO assistance typically helped with assessing training needs, buildings, equipment, instructor training, preparing instructional materials, and establishing tripartite advisory groups.

The ILO also has emphasized improving vocational training opportunities for women, rural nonfarm workers, the disabled, and workers in sectors such as footwear, textiles, food processing, and chemicals. Other types of assistance included establishing occupational standards, testing and certification, developing apprenticeship programs, and strengthening in-plant training. Most vocational training projects collaborated with ministries of labor, and sometimes with other ministries, such as those responsible for industry, agriculture and rural development, forestry, education, and social affairs.

While the response of vocational training to labor market demand was not ignored, the principal challenge of ILO's early training projects was to ensure the adequate quality and quantity of technical inputs. The assumption was that effective vocational training systems would result and, for a while, this was reasonably true, at least for nations that concentrated on establishing a basic training infrastructure. The limits of this approach became increasingly evident in the 1970's, as investments accumulated and the difficulties of effectively operating large training systems, especially public institutional based systems, became clearer.

Training in many countries deteriorated seriously in the 1980's as world economic growth slowed, technological change accelerated, and international trading patterns changed significantly. At the national level, the effects of these trends were often amplified by rapid labor force growth, rising unemployment and underemployment, increasing employer dissatisfaction with the quality and relevance of public training programs, and growing disillusionment among workers and prospective workers whose employment expectations went unmet. Several countries also experienced increasing difficulties maintaining social programs, including education and training, to meet austerity targets established under structural adjustment programs.7

In recent years, it became plain that, in today's more complex, rapidly changing training environment, policymakers would more than ever have to concern themselves with training inputs as well as financing, resource allocation, employers' skill requirements, the impact of training on labor markets, continuing training, and other such issues. As a result, the ILO increased its emphasis on the policy requirements for establishing and maintaining successful training systems. This approach more explicitly recognizes the need for appropriate policies and efficient managerial and professional implementation of training systems. In addition, a consensus was growing that the ILO and other specialized U.N. agencies should shift their technical cooperation more to the activities relevant to policy and program formulation and to discussions at the 1993 International Labor Conference.8

New United Nations Development Program procedures, specifically the Technical Support Services at the Program Level, reinforced this trend at the operational level. This support service also gave governments more responsibility to execute projects, which has reduced the ILO's direct involvement. As a result, projects are becoming smaller, requiring fewer international consultants for shorter assignments. The ILO's current training strategy is to work with member states to strengthen the capacity of governments and social partners to formulate and implement training policies that produce substantial economic returns and also account for the needs of the poorest and most vulnerable social groups. This effort requires more emphasis on consultant services and less on direct involvement in implementation.

Worker education is another important area of ILO concern. The education program includes preparing instructional materials, conducting seminars, providing fellowships, and implementing training components for technical cooperation projects. These activities are geared to increasing workers' understanding of international labor standards and enhancing their ability to participate in forming, planning, and administering trade union training; promoting and de-
developing activities of rural workers' organizations; participating in the assessment and formulation of national economic policies; improving occupational health and safety, and environmental protection measures; and strengthening the role of women in trade unions. In recent years, greater emphasis has been placed on augmenting union capacity to plan and manage training programs.

Management development is a third important part of ILO's training program. The ILO has long been concerned with the role of improved management in enhancing productivity and providing good working conditions. As early as the 1920's, when management techniques were becoming more "scientific," the ILO studied the problems emerging for new, more "rational" management practices and focused the attention of its members on these practices. Following World War II and increased recognition of the importance of strong management practices in enhancing productivity in European reconstruction, ILO concern with management development expanded and spread to other regions.

As concern for economic development of newly independent countries grew and increased financial resources became available through programs of the United Nations and other such agencies, emphasis on training—combined with other activities—as a means of enhancing management development also expanded. ILO management training activities emphasized the diagnosis of management problems, productivity improvement, consultancy skills, supervisory development, construction management, business management skills for women, marketing and credit schemes, and establishment of appropriate environments for setting policy environments.

Job creation. Many countries do not create enough jobs to employ the many jobseekers; policymakers are placing increasing importance on creating micro, small, and medium-sized enterprises and strengthening those enterprises already in operation. Two examples of ILO support for these efforts are its regional training programs to help entrepreneurs improve their businesses (Improve Your Business) and to assist in the formation of new businesses (Start Your Business).

Cooperative training. The ILO's Cooperative Training Program also has emphasized establishing and improving training institutions, organizing seminars to instruct trainers, and developing training materials. Training cooperative managers has been an important aspect of the ILO cooperative program.

The long-running, recently completed Materials and Techniques in Cooperative Management Training project strengthened cooperative organizations by training their managers. The project developed modular instructional materials on more than 50 subjects in 35 languages for use by trainers and for self-study. More than 100,000 individuals participated in the project. A project has been launched in Africa and Asia to promote cost-effective cooperative training systems covering all skill levels, especially those in which responsibilities for cooperative training are being transferred from government to cooperatives.

Vocational rehabilitation. Training is an essential component of ILO vocational rehabilitation activities designed to help disabled persons acquire skills and jobs, and is a principal means of achieving the objectives of the 1983 Vocational Rehabilitation and Employment (Disabled Persons) Convention. Training is provided for specialists and others who, while not primarily working in the training field, have opportunities to assist the disabled. This program has focused recently on the capacity of communities to participate in the vocational training of disabled persons and, following this participation, to support their work. The goal is to provide disabled persons with skills and support systems to help them find work in mainstream enterprises or to become self-employed.

Other training programs. Since 1965, the ILO's International Training Center, an autonomous agency, has provided training courses in Turin, Italy, and in member states. The emphasis is on training technology, management skills, trade union skills, and industrial training, but the center's activities include all areas of ILO work and are coordinated closely with ILO programs.

The changing training environment

The challenge. The environment in which training choices must be made is changing rapidly for both industrialized and developing countries. Due to rapid technological advances, industrialized countries are experiencing rapid and, in some instances, profound changes in their industrial structures. These changes are based in large part on advanced communications and information technology, dramatic shifts in international trade, shorter product life cycles, consumer demand for greater product choice, and significant international financial information and technological flows that aid foreign direct investment. To respond to these changes, many businesses are introducing more flexible labor-saving technologies that can be adapted quickly to changing product demand. Businesses also are making substantial changes in how work is organized and personnel is managed.

For example, many enterprises are reducing middle management, emphasizing teamwork,
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giving more discretion and authority to front-line workers, subcontracting, and relying more on contingency work forces (temporary and part-time workers). In innovative firms, a new style of leadership is emerging that is adapted to managing employees who are valued for their creativity and initiative. Successful, competitive enterprises are becoming "learning organizations." Obviously, flexible organizations require workers to continue to learn new skills and, if necessary, change their jobs. Updating skills is increasingly important in industrialized countries with an aging work force, which means that employers hire fewer young workers with up-to-date skills and instead place more emphasis on retraining experienced and older workers.

Developing countries, without the resources available to the industrialized and newly industrializing countries, face many of the same problems—rapid technological change, depressed economic markets, and heightened international competition. In addition, developing nations face several other major problems, such as rapidly growing populations that require large numbers of new workers to be trained each year, resulting in a very young and relatively inexperienced labor force.

The response. In responding to these challenges, many training institutions in both rich and poor countries have reviewed their objectives and modes of operation and sought to diversify their source of training funds. A number of training organizations emphasize the delegation of decisions to local and municipal levels to improve training efficiency and the match between local training supply and demand. Some organizations also give employers a greater voice in decision-making regarding training policies and programs.

Some countries have developed sector-specific training institutions, supported by public or private sector employers. In addition, many have adopted measures to enhance firm-based training to reduce government expenditures and ensure a better fit between the demand for and supply of skills. Vocational training institutions worldwide have traditionally provided free training, but a more diversified pattern of financing is emerging, which includes charging trainers for a part of their training cost and selling training and other services to enterprises.

These various reform measures reflect a reassessment of the traditional role of government as the major provider of vocational training. While the traditional role produced reasonably good results in relatively stable labor markets, it has proven less satisfactory in today's more dynamic economic circumstances. Public training systems often are sheltered from competitive market forces, resulting in high training costs and a failure to respond adequately to changing demands for skills. In response, some countries have pursued strategies to privatize the bulk of what once were public training systems, believing that private institutions are more flexible than public training bureaucracies. Proprietary training enterprises can play an important role, particularly in providing commercial skills which require less investment in expensive equipment that may quickly become outdated.

However, privatization is not a panacea and market imperfections may result in less than optimum levels of training. For example, there is a limit to the willingness of firms and individuals to pay for training. Firms may fear losing employees who have received training, and be unwilling to invest in training or be unable to finance it. Many private firms, particularly smaller ones, lack effective training skills. As a result, there is considerable interest in the use of payroll taxes to support training and induce firms to train their staffs. This often creates a new role for the state to regulate and promote expanding private training markets. In such a context, several governments have strengthened their role in ensuring that standards are met in private training and to prevent abuses.

Countries that have most successfully adapted to international economic changes have opened their economies to international trade; invested heavily in the development of human resources, with particular attention to education and training; and maintained market-oriented macroeconomic frameworks, all of which have enhanced their international competitiveness.

Significantly, many rapidly industrializing nations have designed training programs as part of overall development strategies. The World Bank's 1991 World Development Report documented the key role of investment in human resources in successful development strategies. Hong Kong, Indonesia, Japan, Malaysia, Singapore, South Korea, Taiwan, and Thailand have successfully pursued this comprehensive strategy.

However, several other countries have been less wise and have attempted to try to solve major economic or social problems solely with training. For example, some countries have tried to solve problems of large-scale regional redundancy with retraining programs virtually alone. For the most part, such efforts have been unsuccessful. If such training had been designed as a component of a comprehensive program to create new employment opportunities or fill vacant positions, and had been targeted at workers who would benefit from retraining, then such programs might have contributed. In any event, the lesson is clear: training programs, whatever their...
goals, not only need to be well-designed technically, but must be linked to compatible educational, labor market, and economic activities to ensure that they achieve their purpose.

The future: continuity and change

The training environment in which ILO member states will develop and modify their training programs in the years ahead is likely to continue to change rapidly. Increasing world economic integration can be expected, as trade continues to be liberalized, communications and transport technologies continue to advance, markets become more sophisticated in terms of diversity of products and the rapid change, incomes rise, and large international financial transfers become easier. These factors will combine to increase national and international competitiveness, which will pressure firms to become more innovative, flexible, and cost-conscious.

Employers may respond to these pressures by investing in the latest technologies, changing the way they organize their work, and emphasizing the development of the capacity of their workforce. In these circumstances, education and training play an important role in developing the skills, knowledge, and positive attitudes workers need to function effectively. In addition to their impact on workers, employers, governments, and trainers, these trends can be expected to have important, less-favorable implications for individuals and social groups with limited access to education and training.

Workers will have to adapt their occupational skills to changing economic and technical developments, and will need to make up for basic educational deficiencies to do so. Those unable or unwilling to adapt to changing circumstances, or those trapped in low-wage jobs, will face serious risks of declining real wages and increased unemployment. Young people—particularly those in competitive, rapidly changing economies—who are seeking their first job will need to develop core skills, knowledge, and positive attitudes if they are to continue to learn throughout their careers.

Employers have the responsibility to provide work-related skills; this role should increase in importance in the future. With the increasing convergence of occupational skills and general education, and the need for more flexible work forces, employers also will likely be more inclined to provide general and job-specific training. This would be consistent with the experience of those countries that have adapted successfully to changing international economic circumstances: employers have given high priority to providing the training environment and programs under which workers could acquire solid vocational skills.

Employers in these countries have often paid most of the cost of acquiring specific skills and, to a much lesser extent, general skills. As a result of growing concern with the relevance of public training programs, employers are more likely to advise and guide public education and training systems. Those employers who do not understand the importance of investing in the skills of their workers will be at a competitive disadvantage.

Governments need to guarantee adequate funding (with public expenditures and by maintaining effective labor market incentives) to sustain desired levels of training. In addition, they need to follow policies that reduce or compensate for labor market failures. They also need to ensure the efficiency and relevance of public training systems, and ensure that labor markets match workers’ skills with employers. Governments often will need to oversee procedures for occupational standard-setting, testing, and certification to make sure the procedures are reasonable and fair, and that they can be adapted to changes in technology, product markets, and work organization.

The government role in retraining laid-off workers, especially those affected by international trade, industrial restructuring, and technological change, is likely to increase. Governments also provide information about labor market trends which can guide young people as they choose their careers. Added to this will be the responsibility to ensure that the education system—an important partner of training programs—provides basic skills, such as literacy, mathematical ability, and conceptual problem-solving. Finally, governments will continue to bear the principal responsibility for ensuring that women, disabled persons, and other groups with special needs have access to training programs.

Governments in many developing countries will face additional problems. The number of new workers is likely to increase rapidly and could grow to many times the number of wage and salary jobs likely to be created, requiring more emphasis to be put on self-employment opportunities. Public resources may be a major constraint and, as the capacity for private sector training expands, enterprises and individuals will have to share responsibility for financing and providing skills development.

Trainers will have to follow labor market trends closely and adapt curricula to significant changes. Due to the rapid change projected in skill requirements, trainers will have to provide trainees with core skills that will encourage career-long learning. The instructional methods used to learn skills relevant to work and life also
can be expected to change substantially, in large part because of dramatic advances in computer and communications technologies.

One significant result of these changes will be the ability to tailor learning objectives to individual needs and learning styles. These new possibilities may substantially alter the structure of training institutions and the organization of learning because people of all ages may select what they want to learn and when they will learn it. Instructors will continue to evolve into managers of the learning process and advisers to individual learners.

Challenges in developing nations. Many of the most dramatic and widely discussed trends affecting training, particularly in industrialized countries, indirectly touch only some of the most intractable human resource development challenges that developing countries face. In the urban informal sector of developing countries, for example, ways to improve the skills of workers and entrepreneurs and the productivity of enterprises must be found.

While traditional apprenticeship has adapted to the immediate needs of the sector, there is substantial room for quality improvement. This will require adapting training methodology, for example, to the needs of individuals with low literacy, developing new and innovative ways of providing skills in a structure of very small enterprises. Improved training of entrepreneurs, especially in business skills, also has an important contribution to make in improving the productivity of small enterprises.

Although urban areas in developing countries are growing rapidly, most of the population continues to inhabit rural areas. These areas present difficult development problems and challenges for trainers. One problem of particular concern to the ILO is the development of rural nonfarm skills that communities need and that are capable of improving incomes. Because very few wage jobs are available in rural areas, opportunities to generate nonfarm income are largely restricted to self-employment. Therefore, effective training programs must be tailored to the skills that small entrepreneurs require and that marketing, credit, and business advisory services support.

Much also remains to be done to increase education and training opportunities for women, particularly in some of the poorer countries. Substantial progress has been made in increasing training and employment opportunities for disabled persons in several countries, but high unemployment rates, often associated with structural adjustment, have diminished opportunities in other nations in recent years. Disabled persons have had a particularly difficult time in countries that are in transition from centrally planned to market economies, and in countries suffering the aftermath of civil war.

Possible strategies

Clearly, consensus is emerging concerning the importance of investment in human resources for economic development. Although ILO decision-makers do not all agree on the specific strategies to follow regarding investments in training, agreement is taking shape about the questions they need to address. For example, they need to agree on what training priorities to establish, how to fund training activities and at what levels, how to organize and manage national training systems, what specific skills to develop, which instructional technologies to choose, who should be trained, and how training should be evaluated.

Because of the importance of identifying and choosing training alternatives, improving the process of setting policy is a major ILO priority. A number of measures could be taken:

- improve the available information;
- increase the accountability of trainers for the effectiveness of training programs;
- analyze training in the context of other political, economic, and social systems;
- establish central and local vocational coordinating bodies and give them authority and resources to evaluate training programs;
- collaborate with governments and social partners on the design, implementation, and evaluation of national training programs; and
- facilitate the exchange of information by establishing multidisciplinary teams.

Because investment in humans is a means and a goal of economic development, few doubt that in the years ahead training will continue to be, as stated in the ILO constitution, one of the principal means of improving working conditions and social justice. But for the potential of training to be realized, its design and operation will have to live up to the enduring challenge posed by Eugene Staley 50 years ago:

What can be done to encourage these human qualities of adaptability in all of the countries where economic change will demand readjustments? No doubt something can be hoped for as a result of progressive increase in the general level of education. Perhaps it is even more important to place a new emphasis in education on the idea that ours is a world of constant change. Ability to understand new situations, courage and initiative in adjusting to them, both individually and in cooperation with others, are the qualities that will be needed more than ever in the world of tomorrow.
Footnotes


3 Craft and related tradesworkers are defined under section 7 of the International Standard Classification of Occupations.


