

Promoting Social Partnership in Employee Training

EU Social Partners' Project on Employee Training

Country Report Denmark



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Abstract

Denmark is well known for the so-called “Flexicurity system” which combines elements of labour market flexibility with social security approaches and an active labour market policy (e.g., in the field of lifelong learning). Central issues are regulated by agreements between the social partners. Trade unions, employers’ associations and public institutions play an important role in the governance of public employee training. All social partners emphasise the importance of digitalisation in shaping future skills needs.

- **Anticipation and identification of skills needs:** Social partners exchange their views mostly in committees at the sectoral level and at the level of the provider. Here, they debate whether initial or further vocational training frameworks for individual occupations in the respective sector need to be changed and in what way curricula need to be updated.
- **Mobilising resources:** At the national level, the social partners interact with the Danish government on country-wide topics of employee training such as the overall setup of the financing scheme for employee training. In this system, employers collectively finance the refunds that are available when unskilled and skilled workers participate in formal training in the AMU-system. When employees participate in training courses at the request of their employer, they are eligible for their usual salary, and the employer can apply for a reimbursement corresponding to unemployment benefits from *AUB* (a collective national fund). Sectoral agreements on employee training may add to this minimum support. The additional reimbursement is paid by funds established due to the collective agreements.
- **Information, support and guidance:** For the social partners, information about employee training is deemed highly relevant. While the head organisations of both employers and employees do not run explicit campaigns to promote employee training, their members inform companies and employees at the enterprise level.
- **Contribution to quality, transparency and efficiency:** Danish social partners are highly involved in securing the quality and efficiency of employee training. Formal adult training in AMU is regulated by social partners; hence, the influence of employers’ and employees’ associations cannot be underestimated. Social partners work together smoothly and see no need for substantial reforms in this field.
- **Recognition and validation of competences and qualifications:** The recognition of prior learning takes place at the level of public training providers when determining whether previously acquired skills and competences may be, for example, validated to shorten training programmes. Social partners are not directly involved.
- **Provision of learning:** Apart from offering a few selected courses, the Danish social partners do not act as training providers themselves. However, it is upon them to regulate the provision of training in terms of the identification of skills needs and curricula development in formal adult training.

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1 Introduction

Denmark is among the wealthiest European countries with a GDP per capita of 45.500 Euro in 2016 (Eurofound, 2017) and ranks high in terms of life satisfaction as well (OECD, 2016). The country is well known for the so-called “Flexicurity system” which combines elements of labour market flexibility (low barriers for labour market entry and exit) with social security approaches and an active labour market policy (e.g., in the field of unemployment insurance and lifelong learning). In general, the legislation concerning the regulation of the Danish labour market is minimal. Central issues – such as wages, working hours, working conditions or the right to strike – are regulated by agreements between the social partners. Trade unions, employers’ associations and public institutions play a key role in the governance of the employment relationship, working conditions and, hence, also employee training (Eurofound, 2017).

2 Facts and figures on employee training

To get a first grasp on the incidence of employee training, the following chapter looks at participation in employee training from the individual and the company perspective and also addresses influential factors that may prevent both actors from taking part in further training. For the sake of inter-country comparability, we rely on data from the Adult Education Survey (AES) from 2007 and 2011 as well as the Continuing Vocational Training Survey (CVTS) from 2005 and 2010. For both datasets, we focus on the latest available information. Additional information highlighting more recent developments will be added where appropriate.

2.1 Participation in employee training

The Adult Education Survey (AES) informs about adult learning. Learning activities are divided into formal education, non-formal education and informal education. Formal education and training is defined as education provided by the system of schools, colleges, universities and other formal educational institutions that normally constitutes a continuous ‘ladder’ of full-time education. Non-formal education and training is defined as any organised and sustained learning activities that do not correspond exactly to the above definition of formal education. Non-formal education may therefore take place both within and outside educational institutions (courses, workshops or seminars, guided-on-the-job training – such as planned periods of education, instruction or training directly at the workplace, organised by the employer with the aid of an instructor – and lessons). Informal learning is defined as intentional learning which is less organised and less structured than the previous types. The participation rate in education and training covers participation in both formal and non-formal education and training. Employer-sponsored learning activities are defined as all activities paid at least partially by the employer and/or done during paid working hours.

The employed persons’ participation rate in job-related non-formal education and training in Denmark lies substantially above the EU average (Table 2.1). This holds for both 2007 and 2011 but, as the Danish participation rate experienced a strong increase in this period, Denmark’s lead even expanded up to 15 percentage points in 2011. Denmark ranks sixth in the EU members’ participation rates. Non employer-sponsored training does only play a subordinate role. Women are more likely to participate than men. This is also the case on EU average, but the difference in Denmark is much larger (7 vs. 1 percentage points). Younger people are slightly more likely to participate than the elderly: here, the gap is greater

on EU average (1 vs. 5 percentage points). As for the entire EU, educational attainment level and participation rates are positively correlated in Denmark. Less than 40 percent of the individuals with low levels of education (ISCED97=0-2) participate in training, while the rate is close to 70 percent for those with high levels of education (ISCED97=5-6). The participation rates are higher than the EU rates for all educational attainment levels (by 12 to 14 percentage points).

Table 2.1: Employed persons' participation rate in job-related non-formal education and training

In percent, persons from 25 to 64 years

	2007			2011		
	All	Employer-sponsored	Non employer-sponsored	All	Employer-sponsored	Non employer-sponsored
All	40.9	39.7	1.2 ^u	55.8	53.7	2.1
Men	39.5	38.6	: ^u	52.7	50.6	2.1 ^u
Women	42.5	40.9	1.5 ^u	59.3	57.2	2.1 ^u
Age groups						
25-34	36.6	35.2	: ^u	53.7	51.7	: ^u
55-64	34.0	33.4	: ^u	52.7	50.1	: ^u
Educational attainment level ¹⁾						
0-2	25.2	24.6	: ^u	37.6	35.2	: ^u
3-4	37.2	35.9	: ^u	51.2	49.0	2.2 ^u
5-6	56.3	55.0	: ^u	69.9	68.1	: ^u

Source: AES, 2007; 2011; special evaluation of Eurostat

¹⁾ ISCED97

^u low reliability, : not available

The Continuing Vocational Training Survey (CVTS) informs about enterprise activities. CVET is divided into courses and other forms of learning. CVET courses are usually separated from the active workplace (learning takes place in locations specially assigned for learning, like a class room or training centre). They show a high degree of organisation (time, space and content) by a trainer or a training institution. Other forms of CVET are typically connected to the active work and the active workplace, but they can also include participation (instruction) in conferences, trade fairs, etc. for the purpose of learning. The following types of other forms of CVET are identified: planned training through guided-on-the-job training; through job rotation, exchanges, secondments or study visits; through participation (instruction received) in conferences, workshops, trade fairs and lectures; through participation in learning or quality circles; and through self-directed learning/e-learning.

Analogous to the individuals, companies' participation rate in continuing vocational education and training (CVET) lies considerably above the EU average: for 2005, 2010 and 2015 Danish companies' participation rate is at least 15 percentage points higher than average (Table 2.2). While the participation rate rose between 2005 and 2010, it declined between 2010 and 2015 whereby the gap between Denmark and the EU average contracted. With a participation rate of 87 percent in 2015 Denmark is still in the

upper range. As in other European countries, small companies are less likely to provide CVET than bigger ones (84 percent vs. 98 percent) but the gap is smaller than on EU average (69 percent vs. 95 percent). In 2005, Danish companies of all sizes were more likely to offer courses than other forms of CVET whereas since 2010 it has been the other way round. This development was driven by small companies whereas medium and big companies were more likely to offer courses in 2015.

Table 2.2: Companies' participation rate

In percent

	2005			2010			2015		
	All forms of CVET	Courses	Other forms of learning	All forms of CVET	Courses	Other forms of learning	All forms of CVET	Courses	Other forms of learning
Average	85	81	61	91	76	84	87	70	74
Small	83	78	57	89	72	81	84	64	71
Medium	96	91	76	98	90	93	95	87	83
Big	99	98	97	100	97	97	98	94	92

Source: CVTS, 2005; 2010; 2015

2.2 Motives and barriers for employee training

When asked for barriers to participation in (more) training, all individuals stated no need for (further) education and training (Table 2.3). This is by far the most important barrier and named twice as often as on EU average (50 percent) where no need is named most often, too. One out of six individuals state conflict with work schedule or training being organised at inconvenient time as a barrier and one out of seven see too high cost as an obstacle to (more) training. The shares of the latter are fairly close to the EU average (17 percent/14 percent vs. 18 percent/13 percent). When asked for obstacles to training provision, about three quarters of the non-training companies state that existing skills and competences of their employees corresponded to the current needs of the enterprise. This is also the main barrier on EU average (82 percent). In accordance with the EU average, the second leading reason for not providing training is that companies recruit people with the skills needed (65 percent vs. 55 percent on EU average). 44 percent of the non-training companies focus on IVET rather than on CVET. On EU average this barrier is only named by one out of four non-training companies. There are just a few companies in Denmark that do not offer training, but those see barriers more often than non-training companies on EU average.

Table 2.3: Main barriers for training

In percent

Individuals	2011	Companies (non-training)	2015
No need for (further) education and training	100	The existing skills and competences of the persons employed corresponded to the current needs of the enterprise	74
Conflict with work schedule or training organised at inconvenient time	17	People recruited with the skills needed	65
Cost too high	15	Either focus on IVET than CVET	44

Source: AES, 2011; CVTS, 2015; multiple answers possible

3 Legal framework and institutional setting

Formal adult education and continuing vocational education and training (CVET) fall for the most part under the responsibility of the Ministry of Education (*Undervisningsministeriet*). This is true in particular for Adult Vocational Education (*Arbejdsmarkedsuddannelser – AMU*, see below). While the ministry sets up public and private educational institutions and a general framework, it is up to the social partners to determine the content and curricula of the offers – which are then provided by adult vocational training centres, vocational schools and colleges. In terms of the number of participants, *AMU* is by far the most important pathway of CVET provision in Denmark with roughly 565,000 employees participating in *AMU* courses in 2014.

In addition, the Ministry of Higher Education and Sciences (*Uddannelses- og Forskningsministeriet*) is managing the so called “open education” which offers partly vocational and professional oriented education and training courses at the EQF level 5 and 6. The public providers – Academies of Profession and Universities of Applied Sciences (*Professionshøjskoler*) are the main providers of formal adult education for the public employees. In 2013, roughly 7,000 participants took part in training offers in courses of Higher Education for Adults (Advanced Adult Education, Diploma programmes and Master programmes).

Non-formal employee training is also offered by private providers. As formal adult education (*AMU* and Higher Education for Adults) may not address all of the companies’ needs, they may also turn to private providers to train their employees, e.g. in soft skills such as leadership and communication. The private market is mainly unregulated and social partners are – contrary to the provision of formal training – not involved in its governance.

3.1 Embedment of CVET in general education system

Denmark has a well-established system of (dual) initial vocational training (which is already closely related to labour market needs) as well as tertiary education. Adding to that, adult education in the form of employee training is embedded in the general education system in several ways. On the one hand, employees pursuing tertiary degrees attend public colleges or universities which are set up by the state

and offer recognized degrees at BA or MA level (compare chapter 3.2). However, as obtaining a tertiary degree typically takes place prior to a person's employment, the more relevant aspect is how training courses that target employed persons in particular are embedded in the general education system (Danish Ministries, 2016).

Adult Vocational Education (AMU) offers modularised short training courses for employees who want to update their skills in a particular field. While these courses can be taken mostly without following a particular structure – that is, purely according to individuals' or companies' needs – there is the possibility of gathering and combining several courses to achieve a full occupational degree comparable to the one obtained following formal vocational training.

3.2 Regulatory level of CVET

As mentioned above, formal adult education and CVET fall under the responsibility of the Ministry of Education and the Ministry of Higher Education and Sciences. This includes a variety of educational offers ranging from Preparatory Adult Education (*Forberedende Voksenundervisning – FVU*) and General Adult Education (*Almen Voksenuddannelse – AVU*) to Adult Vocational Education (AMU) and Higher Education for Adults.

The Ministry of Higher Education and Sciences (*Uddannelses- og Forskningsministeriet*) is concerned with formal tertiary programs such as Advanced Adult Education (*Videregående Voksenuddannelse – VVU*) and bachelor and master programmes at colleges and universities (*Diplomuddannelse* and *Masteruddannelse*). Finally, the Ministry of Culture (*Kulturministeriet*) is responsible for non-formal adult education and training that is offered via public providers. This comprises inter alia Folk High Schools, Evening Schools, Day Folk High Schools and University Extension Courses.

Adult education and training takes place at a number of different institutions. General qualifying educational offers such as General Adult Education (AVU) and Preparatory Adult Education (FVU) take place at institutions for vocationally-oriented programmes, adult educational centres (VUC) and higher educational institutions, whereas non-formal education is offered at production schools, folk schools and evening schools (Eurydice, 2015).

3.3 Public financing/funds and tax incentives

Adult vocational training programmes (AMU), which make up the most part of formal employee training in Denmark, are financed both privately and publicly. The providers operate within a decentralised framework based on "taximeter funding" (taximeter grant per full-time equivalent participant, a fixed rate per programme) provided by the Ministry for Education. User fees apply on technical, commercial, ICT, language and social communication, management etc. adult vocational training programmes. On average, the user fee is about 15 per cent of the total expenditure and is normally paid by the employers. Courses in the social and health service, individual competence assessment (as well as participation by the unemployed who attend individually selected programmes for six weeks) are free of user fees (Eurydice, 2015).

State financial support for education and training (including training leave, see chapter 3.4) may generally be provided by two financing schemes which are applicable to different levels and types of education and include skills assessment. State educational support for adults (SVU scheme) may be used for

learning at primary or secondary school (also called general education). More important in terms of CVET is the grant system for adult training (*VEU* allowance). Expenditure for *VEU* allowances is covered by an employers' reimbursement scheme (*Arbejdsgivernes Uddannelsesbidrag – AUB*) to which all enterprises contribute a fixed annual amount per full-time employee.

As most learners are employed and receive their normal salary (or a collectively agreed share of it) during the training period, the allowance is paid primarily to employers as partial wage reimbursement and is connected to training leave. The amount of the allowance may be supplemented from the collective training funds (which are raised from private sector companies or the public sector) up to an agreed upon share of the employee's normal income (that has been lost while on training leave) or from public sources other than the *VEU* allowance (for example to cover travel and accommodation costs).

3.4 Regulations on training leave

While the financing measures are regulated by national laws determining allowances (which may support training leave), the remaining features of training leave, such as eligibility or duration, are decided by the social partners through collective agreements at sectoral or company level or through individual agreements between employers and employees.

The *VEU* allowance and *SVU* scheme support the system of flexicurity: employment relationships are very flexible, but short-term security measures are provided for employees. They include the enhancement of skills and employability of low-skilled employees secured by the Danish CVET system. However, interviewees state that the Danish Government is currently shifting more responsibility for financing CVET on to the social partners, first of all by reducing the amount of *VEU* allowance and, subsequently, by leaving a larger amount of lost wages to be compensated by (training) funds raised through contributions from social partners (Cedefop, 2012).

In Denmark, the unemployment insurance funds, which are affiliated to trade unions, are the key actors in the management of training leave financed from *VEU*. These funds are involved in the verification of the eligibility of learners and in the management of the *VEU* allowance provided. They also accept applications for the *VEU* allowance from their members, while learners who are not members must apply through educational institutions (Cedefop, 2012). However, under the tripartite agreement from October 2017, the responsibility to manage the training leave will be transferred to *AUB* which also manages vocational training at the national level.

3.5 Training providers

There are about 100 schools approved by the Ministry for Education which provide adult vocational training programmes all over the country – the principle being to offer training programmes in all regions. Mainly public, but also a number of private schools provide adult vocational training programmes. The providers are adult vocational training centres, vocational technical colleges, commercial colleges, agricultural colleges, social and health service schools etc. In addition, there are a small number of private companies that are officially approved to provide *AMU* courses. Most of the schools provide both education programmes for adults and for young people. All providers of adult vocational training including the adult educational centres (*VUC*) are associated with one of the 13 centres for adult education and continuing training (*VEU*-centres), each coordinating guidance activities, contact to enterprises and employees etc. for a specific geographical area (Eurydice, 2015). As a result of the tripartite agreement

from October 2017 VEU-centres will be closed down and substituted by cooperation and partnership agreements between institutions.

Adult education centres are independent self-governing entities organised as business units who have to “sell” their “product”, i.e., training courses, to companies. In Denmark, this follows the approach of New Public Management where the individual providers act relatively independent from fixed budgets but are financed via a taximeter funding. When offering courses, providers cannot plan with predefined resources but get paid proportional to the number of training participants. Employers will pay a small fee for each of their employees participating and providers receive money from the government for each participant. Obviously, such an approach can lead to fierce competition for participants and may even result in providers only offering training courses that are guaranteed to be taken up by many employees.

Apart from formal training provision (AMU) which mainly addresses skilled or unskilled workers there are a number of additional non-formal courses in the training market. These courses may range from IT skills to soft skills in leadership. Non-formal training may also happen when companies introduce new production technologies or software solutions and the supplying firm offers introductory training courses. This training market is mainly unregulated and employers choose the offer that best suits their particular needs.

4 The role of the social partners

Trade unions and employers’ associations play a defining role in regulating employee training. They are involved in committees at many levels (sectoral, regional, national) in terms of governance, quality assurance etc. The following chapter sheds light on the extent of social partners’ involvement in a variety of key areas.

Generally, both trade union density in terms of active employees as well as employers’ association density in terms of active employees is relatively high (67 respectively 77 percent in 2012) (Eurofound, 2017). The most important actors at the employee side are the Danish Confederation of Trade Unions (*Landsorganisationen i Danmark – LO*, 845,000 members) and the Confederation of Professionals in Denmark (*FTF*, 345,000 members), among others. At the employers’ side, important associations are inter alia the Confederation of Danish Employers (*Dansk Arbejdsgiverforening – DA*, 13 member organisations, covering 25,000 companies with 800.000 employees), the Confederation of Danish Industry (*Dansk Industri – DI*, 10,000 members), Local Government Denmark (*Kommunernes Landsforening – KL*, representing 98 municipalities) and Danish Regions (*Danske Regioner*, representing the five Danish regions).

4.1 Anticipation and identification of skills needs

As Denmark has a very cooperative social partnership system, most of the agreements on labour market issues – such as employee training – are reached in bilateral committees at the national, sectoral or enterprise level, with the latter two being the most important.

Concerning the identification of skills needs, social partners exchange their views mostly on the sectoral level. Here, they debate whether initial or further vocational training frameworks for individual occupations in the respective sector need to be changed and in what way curricula need to be updated.

Best practise: Social partners join forces to tackle skills needs at the sectoral level

Social partners meet on a regular basis to discuss the skills needs in committees at the sectoral level and openly report their results every year. Given that the social partners at this subsidiary level are closely in touch with their members, they can identify trends and challenges and quickly respond to them.

Social partners agree that the social partner approach on the sectoral level is useful and that this bottom up approach – partly supported by the Danish government – is generally highly effective. Still, it needs to be taken into account that along with the digital transformation, all sectors are affected by changing skills needs and that even though the view on the sectoral level is important, one should not forget about the overall picture. A representative of an employees' organisation stated that there is a tendency for too much conservatism in the system: As certain professions gather in certain unions and the training these employees is regulated by collective agreements between the social partners in that particular field only, there may be a lack of flexibility in the wake of the digital revolution.

4.2 Mobilising resources

Danish social partners all agree that employee training is a key issue for Denmark as the country's most important natural resources are the skills of its workforce. Thus, they put a lot of emphasis on this topic within their respective organisations. At the national level, they observe general trends and collect information which is passed onwards to the sectoral or enterprise level where it is used for negotiating agreements. Also at the national level, the social partners interact with the Danish government on country-wide topics of employee training such as the overall setup of the financing scheme for employee training.

When it comes to mobilising financial resources for CVET, employers pay contributions to the national collective fund (*AUB*). When they send their employees to training courses, they pay them the normal salary (or a collectively agreed share of it). The *AUB* fund reimburses employers' wage costs up to the level of 100 percent of what an unemployed person would receive. Sectoral agreements on employee training may add to this and introduce additional sector-specific training funds.

As the participation rates in employee training have dropped in recent years and training funds have leftover resources, employers' associations have argued for a new arrangement on how their contributions are to be used. According to the tripartite agreement from October 2017, a substantial amount is transferred back to the companies.

Challenge: The financing of training courses via the taximeter approach

Formal employee training (e.g., AMU) offered by public providers is financed via a taximeter funding approach. When offering courses, providers receive a small course fee paid by employers or via collectively agreed funds and an additional large share per participant is added by the government. The more participants are in a given course, the larger the amount of money providers receive and vice versa. Hence, from a business perspective providers are eager to offer training courses that attract many customers rather than offering very specific courses that will only appeal to few customers. Offering the latter sort of courses might result in financial losses for the providers. However, in particular these courses may be important for certain companies and their employees. Hence, a balance needs to be struck between offering all relevant courses on the one hand and making sure that training providers are not forced out of business because they cannot provide training cost efficiently.

4.3 Information, support and guidance

Informing companies and employees about the available possibilities and the benefits of employee training is highly relevant in the eyes of the Danish social partners. However, the head organisations of both employers and employees state that they do not run explicit campaigns for promoting employee training. Still, their members inform companies and employees at the enterprise level. Some interviewees argue that more information – in particular for SME – would be beneficial such as to motivate employers and employees to participate to a larger extent.

As unions and employers' associations are involved in sectoral committees and also interact at the enterprise level, they play an important role in determining which training measure suits employers' and employees' needs best.

Best practise: An online tool that makes training offers transparent

Danish social partners have come together to set up the webpage amukurs.dk which offers information on all available formal employee training offers in the AMU system. It shows where and when courses are offered and thereby helps employers and employees find the right course that best fits their needs. Courses that are offered irrespective of the number of participants are highlighted so that employers and employees can better plan ahead and do not need to fear that a specific training is cancelled, something that may otherwise prevent signing up for courses in the first place. In addition, courses are evaluated and graded which also helps increase transparency in terms of training quality (www.amukurs.dk).

4.4 Contribution to quality, transparency and efficiency

Danish social partners are highly involved in the quality assurance of employee training as well as in assuring that the system is transparent and efficient. Given that especially formal adult training outside of colleges and universities is regulated by social partners – who are also members in the boards of vocational schools – the influence of employers' and employees' associations cannot be underestimated. The interviewed social partners' representatives agree that the bipartite cooperation works quite smoothly and that there is no need for substantial reforms in the way the two sides work together.

Still, efficiency is an issue in the provision of *AMU* training offers. As providers are paid in a taximeter funding scheme, courses that may be beneficial for some – especially smaller – employers and their employees may not be offered because providers would lose money by offering courses for a very small audience only. Hence, a balance has to be struck between offering the right and sought after courses on the one hand and ensuring that the courses that are offered are used to an extent that allows providers to offer them without making a financial loss on the other hand (see also chapter 4.2). Some interviewees argue that reducing the amount of training courses and bundling some offers may be the best way of ensuring efficiency in the system. Another possible solution that was stated was to provide more courses via E-learning or even on-site at the companies as that may make it easier – especially for SME – to participate. Such approaches have since been implemented in the tripartite agreement from October 2017.

Best practise: An online tool for training course evaluation

Often when considering whether or not to use employee training employers are faced with a black box: are the offered courses good enough, are they qualitatively on a high level, will they be worth it? To introduce a tool for quality measurement, the Ministry of Education runs a webpage (www.vis-kvalitet.dk) where individual participants of training courses as well as their employers can rate the courses they participated in and thus allow a view in the black box. Rating are made available as soon as at least 35 individual evaluations respectively five employer evaluations are available. By being publicly evaluated, training providers are incentivised to keep the quality of their courses as high as possible as they would otherwise run the risk of losing their business in case that employers will switch to better ranked training offers.

4.5 Recognition and validation of competences and qualifications

Competence assessment varies between the different education and training sectors, e.g., VET, higher education and adult education and training. For almost all forms of formal adult education and training, a legal framework for validation of prior learning based on common principles has been in place since 2007. Within this framework, it is a right for individuals to request an assessment of their prior learning in relation to the standards of an education and training programme, no matter where and how competences have been required. This procedure is known in Danish as the (individual) ‘assessment of real competences’ (*Realkompetencevurdering – RKV* or *individuel kompetencevurdering – IKV*). Validation has been developed in Denmark both from a top-down and a bottom-up approach. The legislation and the formal framework have been set nationally, but the implementation is decentralised at the provider level (Eurydice, 2015).

Best practise: An online tool that gathers all individual competences

Employees have the possibility to enter their formal as well as their non-formal qualifications and competencies at the webpage www.minkompetencemappe.dk. There, all individual skills and qualifications are gathered and stored. Individuals get an overview about what they already achieved and all competences are made transparent. This helps particularly when employees aim at reaching a formal vocational degree and can present credible information about all their prior learning outcomes. This way, they may be able to shorten the duration of their training and get only the courses they truly need.

4.6 Provision of learning

Apart from offering a few selected courses (e.g., soft skills courses in leadership offered by *DI*), the Danish social partners do not act as training providers themselves. However, they are deeply involved in the provision of formal employee training in the *AMU*-system as it is upon them to regulate the provision of training in terms of curricula development and the identification of skills needs.

Given that Danish social partners are responsible for the organisation of vocational training at the initial stage (IVET) as well as for formal Adult Vocational Training (e.g., *AMU*) they are the ones bringing the latest developments in the labour market – in terms of which skills are needed in which occupation – right in the curricula. This gives the social partners a unique way of shaping the (formal) training market according to their ideas despite the fact that they are not offering courses themselves. As social partners are also active in the board of vocational schools, they can directly influence decisions at the local level where it matters most for their members.

5 Conclusion

Denmark has established a sophisticated CVET system that offers employers and employees a wide variety of training offers to choose from. Danish social partners play a prominent role in setting up the system of formal employee training and assuring that the content is up to date and the quality is maintained at a high level. Bipartite committees at the sectoral and local level as well as tripartite committees at the national level ensure that there is a constant exchange of views as to how the system should evolve and where skills needs exists. This is particularly important for a country dependent on the skills and competences of its employees such as Denmark.

Representatives of both employers' and employees' associations agree that the cooperative approach in tackling employment issues such as employee training is beneficial for the overall system as it takes into account the needs of all involved parties. This is also fundamentally based on the Danish flexicurity system that leaves most employment related bargaining to the social partners while at the same time providing a safety net for those who need help.

While the involvement of social partners in employee training is exemplary in general, some issues remain to be addressed. Given the taximeter funding scheme used in financing Adult Vocational Education (*AMU*) it is necessary to strike a balance between the amount of different training courses offered and the cost-efficiency of these courses. This is an important issue not only for training providers who run the risk of losing money by offering too many too small courses but also for companies – especially SME – who may need very specialised courses for their employees. A wider use of online and blended learning tools may help to overcome this challenge and may at the same time provide viable skills for the age of digitalisation.

In light of declining participation in employee training, social partners – together with the government – came together in October 2017 in a tripartite committee to determine how the future of employee training in Denmark should look like. Inter alia, the amount of *AMU* courses was reduced, the funding and reimbursement schemes renewed and the CVET system was overhauled to tackle the challenges of the digital transformation.

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