

## Management Education and Training

### THE SWEDISH EXPERIENCE

This report from Sweden and in particular from K.F. the Swedish Cooperative Union and Wholesale Society is in two parts. The first is a description of the structure and consists of extracts from the Information Sheet "Consumer Coop. Education and Training" published in July 1977 by the International Department of K.F.. The second part identifies some of the main goals and functions (and problems) within that structure and has been written by Gunnar Dahlander, Principal of Vår Gård, the Swedish Cooperative College.

#### I THE STRUCTURE

As early as in the middle of the nineteenth century, consumer cooperative activity started in Sweden. Some persons joined together and formed economic societies in order to achieve better consumer goods and cheaper distribution. The membership gradually increased and in 1899 a central organisation, Kooperativa förbundet (KF), the Co-operative Union & Wholesale Society, was formed to handle information/education, buying and production. At that time, Sweden was still a developing country. Industrialisation had just started - in 1900 over 50% of the population were still employed in agriculture, compared to about 6% in 1976.

Consumer Cooperative Development 1910-1976

Year	KF		Coop retail societies			
	Total sales m.Skr	No. of empl.	Total sales m.Skr	No. of Soc.	No. of empl.	No. of members
1910	4		23	391		74,000
1930	144	2,993	343	837	10,725	451,000
1950	1,114	13,963	1,675	681	36,284	962,000
1970	6,649	26,594	8,096	232	38,949	1,605,000
1976	12,160	30,200	14,700	180	39,000	1,843,000

x) incl. sales of foreign subsidiaries and part-owned Swedish enterprises.

The Cooperative College Vår gård

As mentioned above, the Swedish consumer cooperative movement became early aware of the importance of education and training of members and employees. Various groups of cooperative employees and elected representatives needed education, primarily in economic questions, but also branch training, training in staff questions, etc. The actual staff training was started in 1920, and in 1925 the cooperative college Vår gård was established in Saltsjobaden.

The training was, however, gradually divided into training of elected representatives and shop employees respectively. The Vi School at KF specialised on member training, while Vår gård remained responsible for staff training. The reason for this arrangement was primarily the need of increased resources for both groups of students. To a certain extent Vår gård and the Vi School still collaborate in the organising of courses, and according to plans this collaboration will be extended, primarily in the form of joint courses for elected representatives and employees.

Primarily during the 1960s, a great part of the basic training arranged by Vår gård was transferred to the local societies, to the Konsum/Domus schools. Vår gård is now responsible for all courses from basic courses for group supervisors, or prospective group supervisor, to courses for executives, while the societies arrange basic training and preparatory courses, which qualify for the Vår gård courses. In recent years, Vår gård has increased its educational service to the societies by extending its department for local training considerably.

Vår gård is situated in Saltsjobaden near Stockholm. The first school premises and student homes were bought in 1924. Additional property has been bought and extensions have been built on to existing buildings. At present the school accommodates 112 single rooms for course participants and has accommodation for another 50 persons in rooms with two or more beds. The annual number of students is approximately 3,000. The courses and seminars cover a period of one to six weeks. Certain courses, for example courses in marketing, stretch over several years.

Up to 1974, the school also arranged managerial education covering a period of two years. The participants' (the so-called assistants') own studies were combined with teaching and planning of courses. Since the starting of Vår gård, 460 persons have completed this managerial education. These persons constitute an important part of the General Managers of major coop societies as well as of KF's executives.

The assistants have now been replaced by full-time employed teacher-assistants, who on one hand work as teachers and course-planners and on the other hand study for their own further education.

In collaboration with the coop societies, Vår gård earlier arranged trainee education. Young people of at least junior secondary school standard were given a three-year education combined with work in order to get practical experience. The aim of this system was to give education for management posts in department stores and shops. This form of education is still offered but is now arranged by the coop societies.

### Non-cooperative Training

Certain employees, primarily prospective specialists, receive training outside the cooperative movement, too. In most cases this applies to persons employed at KF's subsidiaries, the industries. Individual studies connected with the employee's tasks are also paid by the employer, even if they are not arranged by the cooperative movement.

### Consumer Cooperative Programme of Action

According to the consumer cooperative programme of action adopted by KF in 1976, the aim of cooperative staff training is to:

- provide all employees with the necessary vocational training;
- provide all employees with knowledge of the cooperative as a popular movement and form of enterprise;
- promote the prerequisites for industrial democracy;
- promote individual development and create the conditions for a high level of work enjoyment and affinity with the cooperative movement;
- promote the development of the consumer cooperative movement.

### Individual Studies

By individual studies, we mean that a student takes a correspondence course on his own. The teachers at Brevskolan (see below) read the answers and through their comments and answers to the student's questions, assist and guide the student in his continued work.

On completing the course, the student receives a certificate and a proposed continued study programme. This method of studying is chosen by those who want to study at their own tempo.

### Correspondence Studies

Vår gård has always considered it very important that students come to the oral courses well prepared. Correspondence studies are therefore an important link in the educational chain. Part of the entrance qualifications for almost all courses at Vår gård is that the applicant has studied a certain number of correspondence courses.

The more advanced the course, the greater the demand on previous knowledge. Many cooperative retail societies arrange study circles in book-keeping, commercial arithmetic, etc. Every employee has the chance of studying correspondence courses either individually or in a group.

Right from the beginning, the Vår gård teachers worked out correspondence courses in book-keeping, mathematics, etc. This activity formed the basis of the correspondence school of the Swedish Co-operative Union & Wholesale Society, which later on became Brevskolan. For many years, Brevskolan has been jointly owned by K.F. and other popular movement organisations.

Brevskolan's activity includes the production of study material intended for cooperative employees, study material in trade-union questions and more general courses, for example in mathematics and business economics.

In the requirements for entrance to the Vår gård courses, one or several of Brevskolan's courses are often included.

The number of cooperative employees participating in the postal tuition is on an average 15,000 yearly.

### The Local Konsum Schools

The 15 largest retail coop societies have their own Konsum schools for basic staff training. Approximately 6,000 employees participate in these courses yearly.

The cooperative educational system thus consists of three sections:

- The first or elementary section comprises the stages arranged by the local and regional cooperative schools (Konsum/Domus-skolan)
- The second section is the correspondence institute, Brevskolan, which is jointly owned by a number of popular movement organisations.
- The third section is the cooperative college VÅR GÅRD, which arranges special complementary courses with emphasis on management.

### Financing of Courses arranged by Vår gård

1. The course participants receive full pay during the course period and do not pay any course fees themselves.
2. The coop societies or KF enterprises that send their employees to the courses pay:
  - a) salary/wages to the course participant during the course period as well as the costs of his travelling to and from the course;
  - b) a course fee per course week for the course participants. This fee covers approximately 50 per cent of Vår gård's net costs;
  - c) a boarding school fee, i.e. the costs of board and lodging during the course period.
3. The coop societies are charged general fees, which are to correspond to 25 per cent of Vår gård's net costs. These fees are debited in proportion to the respective coop society's total pay costs. This corresponds to 0.2 per cent of the coop societies wage/salary costs. The remaining 25% of Vår gård's net costs are paid by KF.

### Training Staff at Vår Gård

Vår Gård has a principal, 14 lecturers and 11 teacher assistants teaching by means of lectures, group work, correspondence courses, etc. Each teacher is a specialist in a number of subject fields, also assisting in the administration of the college. Each teacher keeps in touch with those working and development groups within KF which are relevant to his own sphere of work. One teacher has been

appointed co-ordinator for each of the following four subject fields: Personnel administration, Business economics, Marketing and Civics. Both teachers and assistants are grouped round each subject and the co-ordinator leads the work in the subject.

Others also lecture at Vår gård - for example specialists from KF, and from its subsidiaries, from the societies and also from other concerns, commercial and industrial organisations, other schools, institutions and so on. The number of lecturers assisting in this way is quite large and has increased considerably since education for employees in higher posts has become more extensive.

### The Consumer Cooperative Movement - an Extensive Labour-Market

The Swedish consumer cooperative movement, including oil, housing, insurance, travel and burial cooperation, is regarded as one labour market. Vacancies are advertised by all organisations in a joint paper. Within KF there is an employment exchange which acts as an intermediary at appointments to primarily supervisory posts within Swedish coop societies.

### Principles of Cooperative Training

The basic principle of cooperative training is alternating studies and work.

### Step-by-step education

The educational system could be compared to a staircase with a number of steps or stages. This means an increasing degree of difficulty in the education, step by step. The students themselves set the pace of their studies and decide how far they want to proceed. In order to make the education available for all categories of staff working

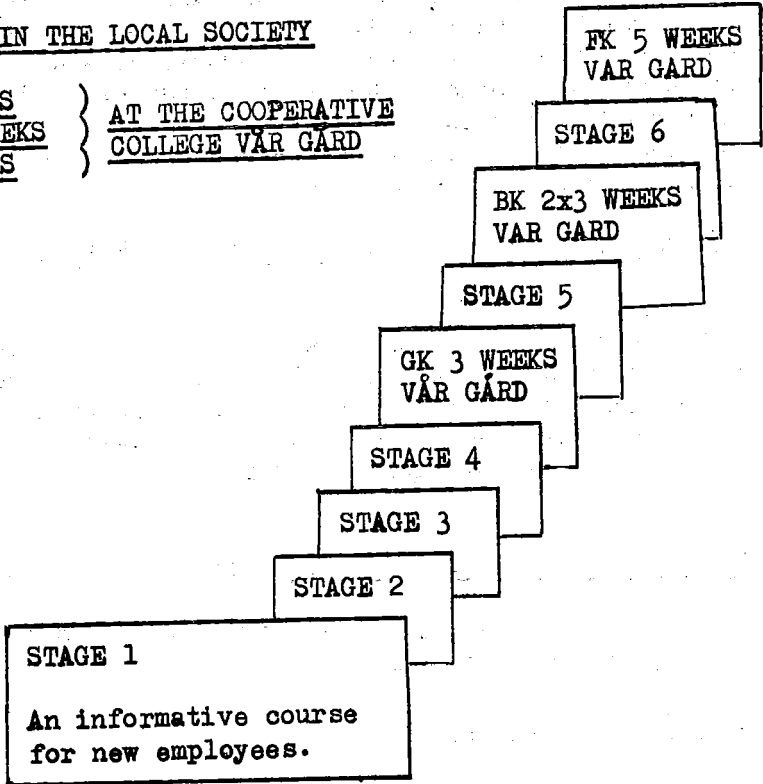
within the Swedish consumer cooperative movement, each stage offers different alternatives.

The contents of the various stages of the elementary section and of the courses arranged by the cooperative college are seen from the following brief description:

STAGE 1-6 IN THE LOCAL SOCIETY

GK 3 WEEKS  
BK 2x3 WEEKS  
FK 5 WEEKS

} AT THE COOPERATIVE  
COLLEGE VÅR GÅRD



STAGE 2: Comprises branch courses, i.e. knowledge of merchandise and work technique.

STAGE 3: Comprises mainly questions of sale, costs and control. Also arithmetic is included. Having passed the basic course of stage 3, the student may apply for participation in further education.

STAGE 4: Is the first part of the specific manager training. Psychology and management are consequently included.

GK  
3 WEEKS  
VÅR  
GÅRD:

The Basic Course as well as the branch courses specialise in different fields of work.

The »GK» is an elementary course for managerial staff, comprising the subjects supervision, sale, cooperation and operating economy.

STAGE 5: Deals with economics, accountancy and - for certain groups - questions of working environment.

BK 2x3  
WEEKS  
VÅR  
GÅRD:

These Shop Managers and Departmental Managers' courses aim at providing managerial staff categories within the cooperative movement with important education. The programme includes questions of operation and planning within the respective fields of work, accountancy, staff supervision, as well as subjects of a public and social character.

STAGE 6: Deals mainly with economics.

FK                    This training constitutes a continuation of  
 5 WEEKS            the courses for shop and department managers  
 VÅR                   The main subjects are staff supervision,  
 GÅRD:                economics, questions of a public and social  
                          character, and oral communication.

### Further Progress

Having completed the «educational staircase», the student may continue his training along two principal lines:

- Further training in order to reach a higher standard of attainment in the position he holds, for example continuation courses and branch courses.
- Further training in various subjects, for example courses in marketing, administration or department store managers course.

(Against this factual background Part II now discusses the operating principles and processes)

## II GOALS AND FUNCTIONS

by

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### Policies and experience of training and education in the Swedish Cooperative Movement

Leading people in the Swedish consumer cooperative movement realised at an early stage the need for efficient staff training. A study department was set up as early as 1918 and "Vår gård", the cooperative college, began its courses in 1925.

When to-day, more than 50 years after the foundation of the school, we try to anticipate its role in the future, we should first explain that "Vår gård" is KF's training and education department, responsible for all staff training within the movement; that Vår gård's principal task is internal company training, and that the movement has about 75,000 employees.

An efficient training and education activity cannot function in isolation. The educational goals must be integrated with operational goals and coordinated with the special guidelines laid down for different areas.

There must be a common view of the function of education and training in the movement as a whole. In the consumer cooperative movement with its large volume and special structure, characterised by a large number of independent company units linked together in a federative organisation, it is of particular importance that these questions of aims and functions have been clarified and that the decisions

taken are generally accepted in order that they may constitute a foundation on which to base the training and education activities in the various units of the movement.

The goals and functions of training and education are not established once and for all, i.e. they can never be of a static character and cannot in every respect be shaped identically for different company units. On the contrary, the training and education in the company must continuously be adapted to the conditions that make up the company's working environment.

### The Aims of Education

In Sweden much work has gone into establishing so-called overall objectives for the education provided by the community. These objectives should then be coordinate with the goals set for the various subjects.

In the same way the primary basis for overall educational goals for the consumer Cooperative movement as a whole is that they must be anchored in the movement's principal objectives as formulated in the statutes. The first two paragraphs in the statutes mention the distribution of goods and consumer information as two main areas for achieving the primary purpose of cooperation: to promote the member's economy. In order to achieve this main objective one must have a functional, needs-related and far-sighted staff training system that covers all levels and all the different sectors of the consumer cooperative movement.

Frequently greater demands are placed on the cooperative form of enterprise than on other enterprises. The ideological superstructure that we have in a cooperative enterprise, as opposed to companies in private trade and industry, functions as a basis for people's expectations. In the field of training and education, the Cooperative

form of enterprise in itself implies that there is a need for a certain volume of job-related staff training. Moreover it is in the nature of Cooperative ideology to support a development towards greater democracy where people work and a greater feeling of satisfaction for the individual. In the overall educational objectives for the Cooperative movement, these features must be included as important components. Thus one can argue - without being guilty of exaggeration - that the educational activities should support and utilize the extra motivation for their work efforts that the cooperative employees do in fact have.

Another important factor to be taken into consideration when planning Cooperative staff training is the guidelines for staff policy. According to these guidelines the function of education and training should be both to give the employees the knowledge necessary for the positions they have and, on the basis of personal qualifications, to offer the employees such training as makes possible promotions and transfers within the Cooperative market.

A further point of departure, and a fundamental one in the setting of Cooperative educational targets, is the integration of education and training with the individual development planning taking place - or which we hope will gradually be introduced - in the Cooperative enterprises. If this individual development planning is to be effective, it is necessary that the development measures planned are followed through. From this follows that training and education are central activities. The linking of education with development planning offers good possibilities for adapting the education to actual needs.

## Needs of the Individual - and the Company

The question of what training and education the individual should be given must be determined on the one hand by the movement's requirements of trained staff and on the other by the individual's potential for and interest in development. Since it is here a matter of internal company training, it is natural that the company's need for training must be the primary consideration when assessing the necessary priorities.

The risk inherent in this, a risk of which we are all aware, is that the companies and Coop societies concerned consider their own short-term requirements only, and disregard our joint responsibility for staff development for the entire Cooperative labour market. The role of "Vår gård", our central training and education department, will be to consider the interests of the movement as a whole as well as possible.

The individual's need for education, based on his or her personal potential, is an important starting point when taking decisions on education. It is of course wrong to refuse a person an objectively justifiable education but it is equally wrong to give an employee too much education in relation to his development potential. Such steps may lead to disappointment and less work satisfaction if expectations, for example of promotion, are not realised. This type of education, which we call further education, should therefore be linked with all individual development plans in order that education and promotion may be coordinated. This also creates the necessary conditions for a more effective utilization of the education and training provided.

The overall objectives for staff training in consumer cooperative enterprises are based on the view that the training and education should:

- give all employees the necessary professional and/or function-orientated training
- give good knowledge of the cooperative movement as a popular movement and enterprise
- further the conditions for more democracy where people work
- further the individual's personal development and create the conditions for high work satisfaction
- provide a basis for continued development of the cooperative movement.

### The Functions of Education and Training

Staff training has a central function in all Cooperative company units. Rightly utilized and well integrated with the company's total activity, staff training is an effective steering mechanism for management in its efforts to reach the goals laid down for the activity. This function has not been fully observed in all Cooperative units, which fact may, at worst, cause people to regard staff training as living its own life without contact with reality. In a Coop. society or company, staff training can also be regarded purely as a means of instruction for certain clearly defined work processes. Here the entire role or function as a steering mechanism is deliberately disregarded. This is indeed a dangerous view for a modern enterprise.

The most effective way of giving the training and education activities this desirable steering function is continually to adapt the training to actual needs. Further more it is necessary that management should be permanently involved in the shaping of educational activities, for example by establishing educational targets, by stating existing

needs, and by informing those responsible for the administration of the training about current plans for the enterprise.

When analysing more closely the functions of staff training, one can distinguish two main lines. On one hand the training has a strategic function, i.e. a long-term one aimed at building up the total competence level of the respective company units and of the movement, and at constituting a driving force for the continued development of the movement. Competence in these contexts should be seen primarily as knowledge and ability and readiness to widen one's experience and to meet change. On the other hand the training has also a more directly operational function, manifesting itself in activities with concrete and operations-related features, the results of which can be seen in the daily operations.

Both these functions are important. If the training is to meet the demands which can be made on it by management, members and employees, the education and training activities must be characterised by a combination of so-called strategic and operational training.

### The Future

The development in the near future as regards the training and education activities within the cooperative movement will be characterised by an expansion of local and regional training in the Coop societies and other cooperative units. "Vår gård" will to an increasing extent be responsible for the training of supervisors and managing staff; the management training for the cooperative industrial companies will also be extended.

The aims for staff training which have here been described in relatively great detail will primarily characterise "Vår gård's" future activities. Today it goes without saying that our work should be for all categories of employee

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