

The Acceptance of Corporate Training – Case Study

Miloslava ČERNÁ and Libuše SVOBODOVÁ *

University of Hradec Kralove, Hradec Kralove, the Czech Republic; miloslava.cerna@uhk.cz; libuse.svobodova@uhk.cz

* Correspondence: libuse.svobodova@uhk.cz

Abstract: Our era is driven by digital technologies; business models and approaches to management are in the unstoppable changing mode. Key changes in corporate learning are in the design of learning experiences that directly reflect the needs of learners and their work context. But does the actual situation corresponds to academic statements? Before approaching to the analysis of the whole structure and content of the corporate educational system with incorporated reflections of the desired changes, it is recommendable to focus on the acceptance of corporate training by the employers themselves, which is one of crucial factors influencing the success in implementing new educational trends in corporate training. The research subject of here presented paper brings up-to date view of the acceptance of corporate training on the local scene. Research objective of this paper is to analyze employer attitude to corporate training of their employees in two interconnected areas: requirements for staff to attend the training and financial contribution from the employer. Authors tried to define the dependency between requirements and financial support from employer. Authors highlight in the discussion chapter the crucial findings and focus on the future areas of the research.

Keywords: corporate education; employer attitude; acceptance; benefits; research; finance

JEL Classification: I20; I22; M53

1. Introduction

This paper discusses corporate education, which is a specific part of the life-long education. Our era is driven by digital technologies, business models and approaches to management that are in the unstoppable changing mode. It is clear the changes in society and management of businesses generated by technological revolution has to be reflected in the corporate learning to keep the pace with the development. Key changes in corporate learning are in the design of learning experiences that directly reflect the needs of learners and their work context and in the shift from the focus on quality content to focusing on customization of learning solutions to meet customers' needs (Reference Dictionary 2019).

The paper deals with the real situation on the local scene; the employer acceptance of corporate training is analysed, whether employers are involved into their employees' further corporate education, to what extension they require this activity from their employees and whether employees are provided by some financial support.

The structure of the paper follows the standard pattern: chapter 'Methodology' encompasses formulation of the research design and goals, within the sub-chapter State of art selected relevant sources are presented, 'Findings' is the core chapter bringing answers to research questions which were gained via processing data collected from questionnaires and accompanied by visualisation of the results into graphs. 'Discussion' highlights the crucial findings and faced pitfalls during processing the data and focuses on the future areas of the research.

2. Methodology

2.1. Research Goal, Applied Methods and Research Stages

The research subject brings up-to date view of the acceptance of corporate training on the local scene of East Bohemia region.

The research objective of this paper is to analyze employer attitude to corporate training of their employees in two interconnected areas: requirements for staff to attend the training and financial contribution from the employer.

- *The sub goal* is to find out if there is dependency between requirements and financial support from employer.

Research was carried out in 2019 based on a specially designed questionnaire within a regional search on an accessible research sample of 128 Czech employed adults. The return of questionnaire ratio was quite high; researchers collected 95 completed forms with all essentials.

Research questions on employer's attitude to corporate education are defined into three categories from necessity via support to unconcern through three research questions, the fourth question refers to the statistical dependency between variables:

- RQ1 Does the employer require further education of their employees?
- RQ2 Does the employer support further education but doesn't require employees attendance in the trainings?
- RQ3 Does the employer support employee training?
- RQ4 Is there dependence between variables 'Employer requires employee training' and 'Employer financially supports employees training (further education)?'

Methods used in this research included primary sources processing, analytic-deductive and comparative methods and statistical-descriptive methods, basic technique for examining the relationship between two categorical variables: cross-tabulation, non-parametric Chi-square statistic and Symmetric Measures.

Stages of the research are visualized in the Figure 1. They consisted of: acquisition of primary data; getting an overview of current situation on further education including company involvement from statistical surveys of the Czech statistical Office; formulation of research questions; creation of a questionnaire; conducting a questionnaire survey; processing the obtained data, presenting and visualizing the results of the questionnaire survey; applying two kinds of statistical methods on dependency between two key variables.



Figure 1. Methodology stages.

2.2. State of Art

The State of art sub-chapter encompasses literature review bringing selected studies from foreign and national sources. The aim of the paper is to strive to explain the rough sketch of the corporate education concept and clarify key terms associated with the investment into further education, which are used in this study: employee benefits, cafeteria system, concept of the cultural and social needs fund.

Corporate education definition.

In today's society, qualification and level of education are determining aspects of human existence. Education can therefore be seen as part of the cultural evolution of people, which means that there has always been some kind of education. Education is considered a fundamental driver of personal, national and global development. Training and job creation becomes a lifelong process in which the business itself plays a major role. Employees are the bearers of ideas, experience and knowledge, and the success and competitiveness of the entire company often depends on their approach. In order to achieve excellent results, businesses need not only have good technology, internal processes and customer care, but also need to recruit qualified staff to maintain and develop their knowledge and skills, see more Drucker (1999), Armstrong (2009) or Gómez-Mejía et al. (2016).

Batalla-Busquets and Pacheco-Bernal (2013) define training as an investment for both the two participating agents: businesses and workers. They analysed employees' attitudes and perception towards training. Their research was conducted with more than 2000 respondents (employees) of the leading European savings bank. Their findings didn't correspond to the widely promoted trend in

unambiguous utilization of latest technologies. Face-to-face training with the course trainers stayed to be perceived as a more motivating methodology compared to virtuality.

Another inspiring study for the design of this paper was Živčicová and Gullerová (2017) quantitative empirical study in which the attitudes of employees to corporate education were analysed and compared. Here presented study focuses not on the employees but on the employers and their attitude to training. The authors have been involved in the research of aspects of corporate education for about a decade, e.g., they focused on the use of advanced technologies (Svobodová and Černá, 2018). As for corporation setting, they analysed utilization of social media in small businesses (Černá and Svobodová 2013).

Employee education is widely discussed not only on the global scene but it has reached highly professional achievements on the national scale, see more (Bartoňková 2007; Bartoňková 2010; Dvořáková 2007; Palan 1997; Tureckiová 2009; Vodák and Kucharčíková 2011; Koubek 2015). According to Bartoňková (2010), *corporate education is a certain type of care provided by employers to employees for the benefit of both parties*. She describes corporate education as "... seeking and subsequently eliminating the difference between 'what is' and 'what is desirable'" (Bartoňková 2010). She distinguishes the following categories of corporate education: adaptation and orientation processes, employee job-related further training, partial or full retraining, re-entry programs for employees whose health condition prevents them from performing their jobs on a permanent or long-term basis, and qualification improvement programs (Bartoňková 2007). In this study authors perceived corporate education as one unit, not divided into individual categories. This will be explored in the following stage of the research. Corporate education also includes educational activities required by law and vocational training activities required for employee job performance. 86.4% of employers organized at least in one year employee educational activities. In 2010, law required more than 90% of educational activities performed. In 2010, more than 80% of employers also organized professional skill-development activities. 57% of educational activities focused on improving general knowledge and skills. Less than 10% of employers provided educational activities to maintain jobs and prevent collective consultation (Kešelová 2012).

In the following part, three important terms, which were used when the financial aspect was analysed, are described for clear understanding of the issue. Employee benefits, cafeteria system and Concept of the Cultural and Social Needs Fund are understood as ways of financial support of employees in corporate training is in this paper.

Employee benefits

Employee benefits are provided to employees in addition to wages, salaries or salaries as a so-called non-claim component. The Labor Code does not know the concept of employee benefit; it only regulates minimum standards of employee care - professional development of employees, upgrading and deepening of qualifications and allowance for meals. *Therefore, it is entirely up to the employer to decide whether or not to provide benefits to employees and to what extent.*

However, employee benefits beside motivational stimulus carry other positive feature. *From the tax advantage point of view, the provision of some benefits is more advantageous than the salary increase itself*, despite the plethora of forms and types of employee benefits that are currently offered on the labor market (Dostál 2017).

Cafeteria system

Companies often choose the so-called Cafeteria system which offers *various types of bonuses from which employees can draw in a certain financial volume*. Cafeteria system is used by about 65% of companies in our country. They find the system beneficial for all counterparts. Cafeteria has a modular principle, so any company can choose the module that is convenient for it. *A big plus is a detailed overview of staff costs*. The Cafeteria system was introduced primarily because employees come from different age, social or interest groups, and each has a different order of priority for their life needs (Kubíčková and Patáková 2018).

Concept of The Cultural and Social Needs Fund

The Cultural and Social Needs Fund serves to meet the cultural, social and other needs of employees and other persons for whom the relevant legislation permits. The creation and drawing of the Cultural and Social Needs Fund is regulated by the Decree of the Ministry of Finance of the Czech Republic No. 114/2002 Coll., On the Fund of Cultural and Social Needs, as amended (Morávek 2018).

3. Findings

This chapter consist of two subchapters. The first one brings findings on adult education from the Czech Statistical Office and forms a kind of starting point for the own research. The other subchapter brings findings and answers to stated research questions based on processed data gained from the applied questionnaire.

3.1. Findings Drawn from the Czech Statistical Office

Highly motivated people who strive for reaching higher qualification prevail in participation in the formal education. The criterion of reached level of education plays an important role, adult with just primary education get involved into tertiary education only sporadically.

The proportion of non-formal education participants in the Czech Republic is approximately at the European average, it means about 40% adults participated in one activity of the informal tertiary education. However, the Czech adults spent least time on education. The following finding is important for the focus of the research. Most of the activities are related to work; in women it is 86%, as for men, the ratio is even higher as it reaches 91%. These work related activities were motivated by acquiring higher qualifications, improving work performance or improving the labor market position. Generally speaking, *the vast majority of non-formal education in the Czech Republic is carried out during working hours and at the employer's initiative. For nearly 70% of employees work-based non-formal education activities, employees reported that their employer required participation in the education* (CSU 2016).

If participation in education is not directly required by external circumstances, e.g. by law or employer, the decision to be engaged in further education is determined primarily by personal motivation and by the value which individual adults can see in education. However, in a situation where educational aspirations are based mainly on the level of the reached highest level of education related qualifications in the labor market, this often leads to the reproduction of educational inequalities established by the formal education system.

The possibility of corporate training is very closely linked to funding. Most of the companies are aware of the importance of educating their employees and these companies participate in financial support. However, if the economic situation is getting worse, they provide less or no education at all. *The total amount of training costs can vary greatly from one type of company to another.* It depends on the needs of the company, the employees, the general characteristics as well as the specialization of the company and especially on its goals.

Main findings from the Czech Statistical Office report on Investment into adult training follow:

- The share of education expenditure per employee in 2015 was CZK 3,134 on average.
- Companies with more than 250 employees and companies in the Information and Communication Business sector spent the highest costs.
- The share of education costs in the total labor costs of firms was 0.71% on average in the monitored year.
- Drawing money from the education grants from the European Union is extremely low.
- Most companies (91%) in the Czech Republic did not use any education subsidies in 2015.
- A small share (7%) of companies benefited from subsidies from the European Union.
- The vast majority of companies also did not provide any education contributions (CSU 2016).

The following sub-chapter 'Findings from the research' shows the actual situation on a local scale with the accessible sample of 95 adult working respondents.

3.2. Findings from the Research

Findings give answers to all research questions on the attitude of employers to corporate education in sense of their requirement on employee involvement into the training and employers financial support.

Answers to research questions

The answers to research questions are visualized in the Figure 2. Called Employer's attitude to corporate education with 3 researched categories.

The answer to RQ1 Does the employer *require* further education of their employees? is positive. Yes, 30% of employers of respondents require further education. There is big discrepancy with the report from the Czech Statistical Office where the proportion reached 70%.

The answer to RQ2 Does the employer *support* further education but doesn't require that? Is positive and is visualized in the second bar.

The answer to RQ3 The employer is *not involved* or interested in further education of employees? is visualized mainly in the third bar when perceived from purely the perspective of interest and support. However, the second bar shows the employer readiness to support the employee in corporate education even without strict requirement to participate in the training activities.

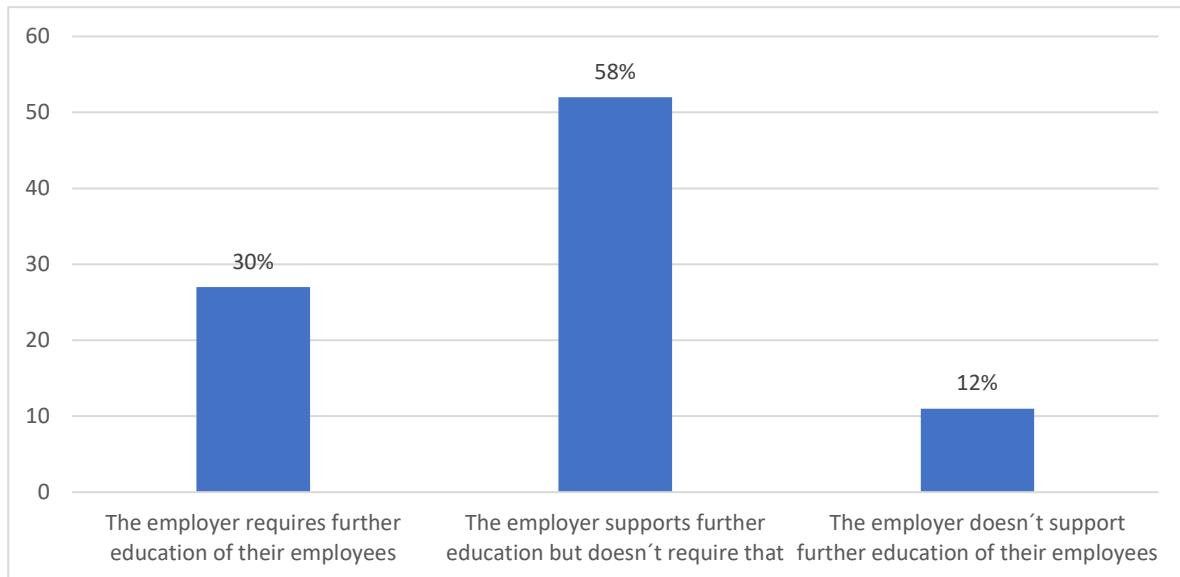


Figure 2. Employer's attitude to corporate education.

As can be seen in the Figure 2, the second category dominates; *58% of respondents employers support further education, however they do not require further training of their employees*. Employers realize the importance of training but leave the decision on the involvement on their employees. *Only 30% of employers require further education. Still there is quite high percentage of employers who do not require and do not support employees' training*. These findings call for further research so that it could be revealed why in current changing times influenced by the turbulent development and involvement and impact of technologies it is possible "to stagnate" and "survive".

Corporate education financing

The following researched area relates to *financing* of corporate training activities and reveals the rate of potential sources used in corporation training payment. This issue is strongly interconnected with the acceptance of corporate training in the company that will be analyzed in the next part.

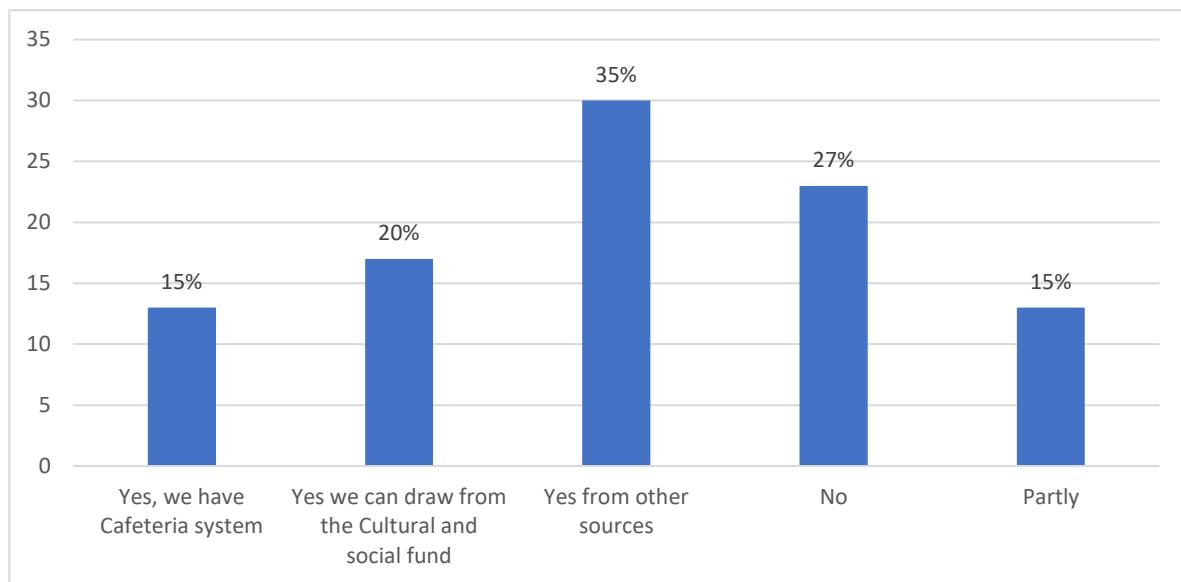


Figure 3. Does the employer pay or contribute to their employees' further education? Sources for corporation training payment.

Only 15% of respondents can draw from the cafeteria system. This system is not implemented in all companies. More over cafeteria system might be implemented in the company of the respondent, but he/she finances from this modular system something different, e.g., medical devices or holidays. This issue will have to be more clarified in the next survey.

One fifth of employees draws from the Cultural and social fund. The situation in some aspects coincides with the cafeteria system. Not all companies can offer this source of financing to their employees and if they offer that, the employees can use the money on medical care or children holiday, etc.

Out of these findings one is worth highlighting – *More than a quarter from the respondents answered that they didn't get any financial incentive from their employers.* This finding calls for further discussion as no support in financing can act as strong demotivating factor in employees, even disrespectful in some cases.

Interconnection between requirement and offer

Next section on findings refers to the interesting interconnection between requirements and offer; between the employer attitude to further education in sense of requirement of further training of their employees and financial sources offered by the company from which employees can draw on their trainings. The graph illustrates the findings, see Figure 4. RQ4 Is there dependence between variables 'Employer requires employee training' and 'Employer financial support in their employees training (further education)?' is answered in this part of findings and especially in the final part Statistical methods on dependency.

Results are given in nominal numbers. Due to the small amount of representatives in individual sections the conversion to the percentage would be biasing. The total sample consists of 95 respondents. *In financing corporate education, 'other sources' dominate* in both categories where employer requires further education from their employees as well as in the category where they do not require but support employees financially. *When slightly generalized rate of individual sources is comparable in both categories* where training is required and where training is supported.

Note – if employer requires further education, it might be expected that they would support their employees financially but there is a quite high rate of employees who get no financial incentive in this aspect.

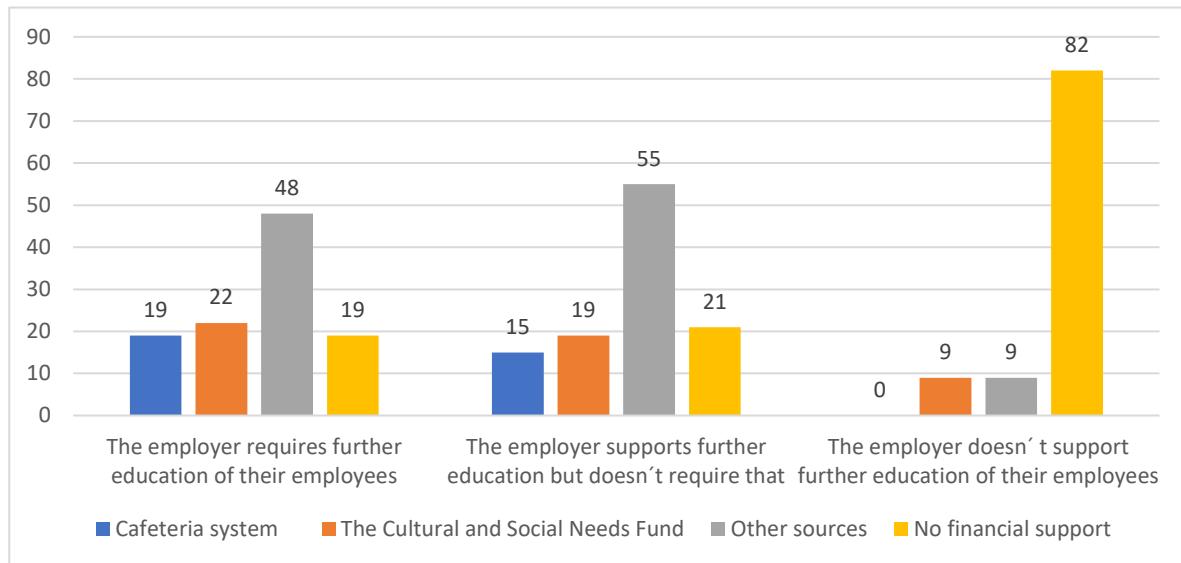


Figure 4. Interconnection between employer requirement on employee participation in corporate training and sources for corporation training payment.

Statistical methods on dependency

Applying two kinds of statistical methods on dependency between two key variables was made: Crosstabulation and Chi-Square Test.

Statistics brings cross tabulation on requirements to employee participation in corporate training and employer financial support.

Table 1. Crosstabulation – contributes * requires education x contributes.

		Requires			Total
		No	Yes		
Contributes	0	Count	15	2	17
		Expected Count	5.5	11.5	17.0
	1	Count	16	62	78
		Expected Count	25.5	52.5	78.0
Total		Count	31	64	95
		Expected Count	31.0	64.0	95

The condition of the test is that the theoretical occupancy of each box is higher than 5. In this case, the conditions are met. It is also written below the table.

The results show that 15 employers do not require employee training and they do not financially support employee education. Two employers require employee training, but do not financially contribute.

Furthermore, 16 employers do not require attendance of employees it, but they support them. *The largest number of 62 employers require employee training and at the same time they financially support their employees.*

Then the Chi-Square Test of Independence was made to determine if there is a significant relationship between two categorical variables that are in this case employer 'Requirement' and 'Contribution' as in the previous table.

In the table, we took the chi square value and compared it with alpha (0.05). In this test, the resulting value is lower, so the null hypothesis of independence can be rejected and H1 accepted. It means, if the employer requires or supports further education, it has the finances available. On the other hand, if the employer does not require further education, it does not create finances for it.

Table 2. Chi-Square Tests.

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	29,120 ^a	1	0.000		
Continuity Correction ^b	26,121	1	0.000		
Likelihood Ratio	28,518	1	0.000		
Fisher's Exact Test				0.000	0.000
Linear-by-Linear Association	28,813	1	0.000		
N of Valid Cases	95				

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 5.55. b. Computed only for a 2x2 table

5. Discussion

All the research questions were answered.

Out of findings the following should be highlighted, because of a quite big discrepancy between the report from national statistical office (CSU 2016) or the general developmental trends and gained results from the conducted research.

- 58% of respondents' employers support further education; however, they do not require further training of their employees. Why only 58%? In this time of changes, turbulent development of technologies affecting all spheres of life and businesses who can afford stagnation and no more further education?
- Only 30% of employers require further education. This finding differs so much from the report of the Czech statistical office where about 70% of employees work-based non-formal education activities stemmed from their employer requirement on participation in the corporate education.
- As for financing training activities, the findings show rather high rate of employer disinterest towards employee training. Researchers' remark is – if the employer requires further education, it might be expected that they would support their employees financially but there is a quite high rate of employees who get no financial incentive in this aspect. Beside this, there is still quite high percentage of employers who do not require and do not support employees' training.
- Only 15% of respondents can draw from the cafeteria system. This system is not implemented in all companies. More over cafeteria system might be implemented in the company of the respondent, but he/she finances from this modular system something different, e.g., medical devices or holidays. This issue will have to be more clarified in the next survey.
- One fifth of employees draws from the Cultural and social fund. The situation in some aspects coincides with the cafeteria system.
- Out of these findings one is worth highlighting – more than a quarter from the respondents doesn't get any financial incentive from their employers. This finding calls for further discussion as no support in financing can act as strong demotivating factor in employees, even disrespectful in some cases.
- Kešelová (2012) study brings findings showing much higher involvement of employers into employee education than findings from study presented in this paper, see chapter Findings.

Researchers are aware of the fact that the research sample was limited. Slight adaptations in the formulation of questions in the questionnaire have to be made. In the next phase of the research on the acceptance on the corporate training, qualitative methods will be incorporated. This paper dealt with employers' perspective. Next phase will be focused on employee attitude to corporate training, on their needs, motives to participate and willingness to invest own money into education.

Acknowledgments: The paper is supported by the project SPEV 2020 at the Faculty of Informatics and Management of the University of Hradec Kralove, Czech Republic. In addition, the authors thank Anna Borkovcova for her help with the project.

References

- Armstrong Michael. 2009. *Armstrong's Handbook of Human Resource Management Practice*. London: Kogan Page Limited.
- Bartoňová Hana. 2007. *Firemní vzdělávání*. Olomouc: Univerzita Palackého.
- Bartoňová Hana. 2010. *Firemní vzdělávání. Strategický přístup ke vzdělávání pracovníků*. Praha: Grada Publishing.
- Batalla-Busquets Josep-Maria, and Pacheco-Bernal Carmen. 2013. On-the-Job E-Learning: Workers' Attitudes and Perceptions. *The International Review of Research in Open and Distributed Learning*: 14, 40-64. <https://doi.org/10.19173/irrodl.v14i1.1304>.
- Černá Miloslava, and Svobodová Libuše. 2013. Insight into social networks with focus on corporation setting. Paper presented at the 12th International Scientific Conference Hradec Economic Days, Hradec Králové, Czech Republic, February 19-20, pp 24-30. Available online: https://uni.ukh.cz/hed/site/assets/files/1050/proceedings_2013_3.pdf (accessed on 5 February 2020).
- CSU. 2016. Education adults in the Czech Republic 2016. Available online: <https://www.czso.cz/csu/czso/vzdelavani-dospelych-v-ceske-republike-2016> (accessed on 5 February 2020).
- Dostál Dalibor. 2017. Nečekejte žádnou kávu. Cafeteria pomáhá firmám s benefity pro zaměstnance. Available online: <https://www.businessinfo.cz/clanky/necekejte-zadnou-kavu-cafeteria-pomaha-firmam-s-benefity-pro-zamestnance> (accessed on 5 February 2020).
- Drucker Peter. 1999. Knowledge-Worker Productivity: The biggest challenge. *California management review*: 41, 79-94.
- Dvořáková Zuzana. 2007. *Management lidských zdrojů*. Praha: C.H. Beck.
- Gómez-Mejía R. Luis, Balkin B. David, and Cardy L. Robert. 2016. *Managing Human Resources*. Boston: Pearson.
- Kešelová Daniela. 2012. Vzdelávanie zamestnancov v aplikačnej praxi zamestnávateľských subjektov. *Rodina a práca*: 5-31.
- Koubek Josef. 2015. *Řízení lidských zdrojů: Základy moderní personalistiky*. Praha: Management Press.
- Kubíčková Alice, and Patáková Veronika. 2018. Nové trendy v oblasti zaměstnaneckých benefit. Available online: <https://www.praceamzda.cz/clanky/nove-trendy-v-oblasti-zamestnaneckych-benefitu> (accessed on 5 February 2020).
- Morávek Zdeněk. 2018. Fond kulturních a sociálních potřeb. Available online: https://www.ucetnictvino.cz/33/fond-kulturnich-a-socialnich-potreb-uniqueidmRRWSbk196FNf8-jVUh4Eu1Ti8WVCJYmD4RLXrKS_4Y/?uri_view_type=5 (accessed on 5 February 2020).
- Palan Zdeněk. (1997). *Výkladový slovník vzdělávání dospělých*. Praha: DAHA.
- Reference dictionary. 2019. *Corporate Learning for the Digital World*. Moscow: Sberbank Corporate University.
- Svobodová Libuše, and Černá Miloslava. 2018 Economic Aspects of Corporate Education and Use of Advanced Technologies. In *Emerging Technologies for Education*. Cham: Springer, Vol. 11284, pp. 117-126. https://doi.org/10.1007/978-3-030-03580-8_13.
- Tureckiová Michaela. 2009. *Rozvoj a řízení lidských zdrojů*. Praha: Univerzita Jana Amose Komenského.
- Vodák Josef, and Kucharčíková Alžbeta. 2011. *Efektivní vzdělávání zaměstnanců*. Praha: Grada Publishing.
- Živčicová Eva, and Gullerová Monika. 2017. Analysis and comparison of employee attitudes towards corporate education. Paper presented at the 21st International Scientific Conference on Economic and Social Development, Belgrade, Serbia, May 18-19, pp. 525-532. Available online: http://zbw.eu/econis-archiv/bitstream/handle/11159/723/esd_Book_of_Proceedings_Belgrade_2017_Online.pdf (accessed on 5 February 2020).