

**EXPERIMENTS WITH  
INDIVIDUAL LEARNING  
ACCOUNTS (ILA'S): A  
PROVISIONAL STATEMENT**

## Colofon

### Title

Experiments with Individual  
Learning Accounts (ILA's):  
A Provisional Statement

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# 1 Background and context

In Lisbon in March 2000, the member states of the European Union decided to increasingly to direct their educational policies towards lifelong learning. This policy line was regarded as necessary to make possible a successful transformation to a knowledge economy and knowledge society. The European Commission's *European Memorandum* determined that a life long of learning must become the leading principle for the education and training policies in all member states in the coming decades. The Memorandum indicated six core messages that would have to further worked out in giving form and content to lifelong learning in the member states' policies. One of these core messages involved the need to invest more in human resources. This theme involves among other the question as to how investment in training can be made more measurable and transparent, and how citizens can become more motivated to invest in their own training. One presupposition of this motivation is that giving citizens more influence upon the form and content of their own learning will raise their motivation to learn and that thinking in terms of the returns to learning investments will become 'common sense'.

Individual Learning Accounts were referred to as one of the instruments to give citizens more influence upon the form and content of their learning. From the reactions it appears that this topic is relevant in various member states. As a response to these reactions the European Commission's working paper *Making a European Area of Lifelong Learning a Reality* the investment of time and money in learning is one of the most important priorities for the coming years. The Commission argues that it '...will evaluate various models of individual funding schemes (e.g. individual learning accounts) to assess their impact on investment, participation in learning and learning outcomes. This evaluation will take full account of the work done by the OECD in this field and an evaluation report will be presented by the end of 2002'.

A similar accent can be found in the Dutch government's policy document *Borderless Learning: an exploration of education and research in 2010*. This document argues that '...it is useful to explore anew the possibilities of the concept of learning rights. The idea is to give every Dutch citizen a limited amount of individual learning rights to be used irrespective of age. To this end, the following arguments are relevant:

- the less obvious distinction between initial and post-initial education;

- everyone must be able to continue learning;
- the freedom of choice of individual learners becomes increasingly importance.

According to the document individual learning rights could take the form of vouchers or a personal development account. The interest in such an instrument is associated with a broader development towards a demand-led approach. That is to say a development in the direction of a more demand-led system in which learning rather than teaching is central: a system that above all departs from the demand for learning – together with the responsibility for realising this – of the individual citizen.

In addition to policy instruments such personal development accounts and individual learning accounts, other instruments include:

1) the demand for public responsibility of schools, that they make clear that their provision matches the demand of individuals; 2) the increasing interest in making non-formal learning more transparent and that much knowledge is acquired in everyday life; 3) the accreditation of prior learning and that qualification is no longer limited to schools.

Increasing the investment in human resources is supported with a number of arguments. An important argument is that 70 to 80% of economic growth is knowledge led. There has been a significant knowledge-intensification of labour in recent years. The share of knowledge work in the labour market has increased and the qualification levels of employees has risen. This is translated in changes in the organisation of work processes. Given the influence of technology in the 'new organisation' physical labour is replaced by knowledge work: monitoring, communication, control, maintenance etc.

A further argument is that regular changes in functions makes learning a necessity. Also the reverse is true: continuous learning facilitates change of functions. Employees who have followed courses are more mobile on the labour market. There is an increase in the number of people who change jobs: from 30% in 1994 to 40% among starters on the job market in 1999.

It is furthermore important to train people to a higher level in order to meet the demand for highly qualified personnel in a tight labour market. This finds expression in the so-called 'follow-through' agenda of the Ministry of Education in which the transfer from basic vocational education [VMBO] through

secondary vocational education [MBO] to higher professional education [HBO] is central.

The greying of society also demands a collective effort to raise the educational level of the working population. Given the increasing participation in MBO, HBO and university education [WO], younger cohorts entering the labour market are more highly qualified than older cohorts. When older workers continue working longer an extra training effort will be a necessity.

Finally, changes in labour relations demand that employees themselves invest in their development. Flexibility of work, looser labour relations, more possibility of dismissal and the emphasis on 'the right to work' rather than 'the right to income' means that the individual is increasingly called to account for his/her own employability. As a consequence training can no longer be limited to functions and will be less related to the current job. The basis for training must increasingly involve intrinsic motivation, experienced short-falls and the future expectations of the individual employee. This approach is expressed in the paper Making Work of Employability Policy from the Labour Foundation as follows: '...a general employability policy that is not only directed at the individual or the work organisation, but that rises above the interests of specific firms and also sectors'.

Investment in knowledge is also a topic in discussions about collective labour agreements. These become more flexible with more choices for the individual. Learning has become a bargaining point whereby the individual – partly related to the life phase and assessment of his/her position on the labour market – can choose for learning or other issues such as care leave or more free time.

The shift from provision-led to demand-led thinking about training plays an essential role in these developments: education and training are products that can be purchased in relation to individual needs.

Raising the investment in human resources and stimulating the demand by the individual will not be realised immediately. An important precondition is the development of a range of instruments that is not only appropriate to the change in policy thinking but is also useful in practice. Experiments with Individual Learning Accounts are a first attempt to gain insights in the

effectiveness of different modalities in the Dutch context and in the degree to which a cultural change is necessary and achievable in the relatively short term.

## 2 Current demand for training

Before turning to the experiments as such, it is necessary to examine the degree in which the adult Dutch population have a positive attitude towards lifelong learning.

Recent research indicates that there is in any case a manifest learning demand present by a part of the population. The most recent figures regarding participation in company training are published by the Central Bureau for Statistics. In a comparison of 1993 and 1999 it appears that the percentage of employees participating in company training has increased from 26% to 41%. Not only has the participation in specific courses risen but also the participation in occupational related courses in general.

Houtkoop concludes in this regard that 46% of employees followed one or more work-related courses, while this percentage in 1994 was 34%.

In addition to the actual participation in occupationally-related training, an interest in learning in general can be identified among the population. Research by Doets and Neuvel suggests that 80% of adults find that learning is important if one is not to be left behind. Van der Kamp arrives at similar figures although he suggests that the interest in learning is much lower among older people.

At first sight there would appear to be a breeding-ground here for 'the learning society'. The research suggests, however, that the interest in continuing to learning is not shared by all and that the intrinsic motivation assumed by the demand-led approach is not 100% present. Most relevant in this regard are the following findings:

- only a minority of the adult population follows a course annually – 30-40%;
- approximately one fifth of the population is not at all interested in further learning;
- the interest in occupationally-related courses is at about the same level as the interest in general adult education. Adults with an 'interest in learning' want to invest in both;
- most adults following an occupationally-related course do not do so for employability motives, but because their current job demands it;

- the initiative to follow a course is in most cases that of the employer. This appears to fit the Dutch tradition and culture where the employee waits until the boss gives the signal;
- in addition to motivation and personal skills time is of importance. As a result of increasing pressure of work, social responsibilities, holiday pressures etc., time - and most certainly in particular phases of life – is a scarce commodity: learning has to compete with other possible uses of time;
- the returns from investment in initial education and training is still high and apparent to the individual – more highly educated employees earn more than less highly educated. The return from post-initial education and training is more diffuse, more indirect and for the individual not always measurable. Kools et al remark in this regard that 'There can be little question that investment in education and training produces results. How much it delivers is however very difficult to determine whether this is expressed in monetary terms or in more qualitative terms'.

It would appear to be obvious that if the further implementation of Individual Learning Accounts is to have any chance of success account must be taken of these aspects.

### 3 The experiments with ILA's

In November 2000, the Ministry of Education published in its monthly magazine *Uitleg* the 'Regulation for Experiments with Individual learning Accounts'. This regulation, intended for 'representatives of the business world, knowledge institutions, and training intermediaries' called upon interested parties to submit an application for an experiment with Individual Learning Accounts. In the terms of the subsidy regulation, an Individual Learning Account is 'a saving account for both those in work and job-seekers that can only be utilised for training purposes'. With this regulation, the Ministry closed ranks with the developments in other countries with Sweden and the United Kingdom as the trend-setters. Sweden intends to start a large-scale experiment with Individual Learning Accounts in 2002 which will grant 1 million adults a basis contribution of € 290 when they open a learning account. In the United Kingdom about 2,5 million learning accounts have been opened during the past two years. This is almost double what was originally envisaged. As a result of this success and because of questions regarding the price/quality relation of the courses together with the actual system used, the Secretary of State for Education and Skills, Estelle Morris, found herself obliged to stop the experiment and to explore further the way in which Individual Learning Accounts can be effectively supported in the future.

Stopping the ILA experiment applies only to England. The ILA system will continue in both Scotland and Wales which have their own Ministries of Education under the decentralisation of responsibilities for education in the UK. It is also necessary to take account of the key issue at stake: misuse of the system by commercial training organisations which took the money from individuals but did not provide the courses!

In the Netherlands, the foremost objective of the experiments is: to explore the degree to which the Individual Learning Account can be a useful instrument in the Dutch context - in addition to other instruments; to get practical experience; to discover the primary problems; and if possible to develop a systematic approach. Points of interest include among others: the roles of different actors; the form of the account; the design and implementation of training plans for which the Individual Learning Account can be used; and the effectiveness of this instrument compared to others.

Twenty organisations submitted a proposal of which eight were accepted.

Given the experimental character, the proposers were allowed, within the general guidelines, to give their own content to the learning accounts. Furthermore, the experiment stressed variety in terms of national distribution, distribution across sectors and organisations, different target groups etc. Basic elements with which all experiments had to take into account were:

- the learning account is a saving account in the name of the employee or job-seeker;
- the individual can only use this savings account for paying the costs of a course;
- the learning account can be supplemented by the individual, the employer or other interested party – for example the national or local government;
- it does not have to be a question of 'cash in hand' but can also involve training vouchers;
- training can be purchased with the Individual Learning Account. It involves targeted training that is explicitly directed to the occupational career and not for leisure or recreational purposes – except when it can be made clear that a leisure related course can have real consequences for the employability of the individual concerned;
- essential to the use made of the Individual Learning Account is that the initiative, the planning and the responsibility remains in the hand of the individual.

CINOP has been engaged for the support and evaluation of the experiments. CINOP is also responsible for both the communication between the projects and external communication by way of a newsletter and a dedicated web-site. The Regulation involves a sum of € 1.2 million for the organisation, support and 'filling' of the learning accounts. Within each experimental project 150 learning accounts must be opened. The central government allocates per account a maximum of € 454. Per project a total of € 68,000 is available. The projects started in February 2001 and will finish in February 2002.

An interim evaluation took place in late 2001. For this purpose, the 8 pilot projects submitted an interim report. On the basis of these reports discussions were held with the projects in which the following aspects were on the agenda: a) The profile of the implementing organisation. The Individual Learning Account is entirely new as an instrument: which organisations adopted this idea

and which motives played a role? Also of interest is the way in which the idea was introduced by the stakeholders, with which partners co-operation took place, and whether there is an expectation of continuation on the basis of the experiences.

b) the form and organisation of the learning account. The pilot experiments have the freedom to organise the Individual Learning Accounts as they see fit. Which variations have been chosen, which motives have played a role, what are the experiences so far, what looks promising or not, etc.?

c) the recruitment of participants. How are participants recruited, which strategies are employed to this end, what is the role of employers, etc.?

d) the participants. What can be said about the participants halfway through the experiment? Is the Individual Learning Account an instrument that reaches groups other than those who traditionally participate in training, which courses are chosen, and to which degree is the instrument motivating, etc.

The following chapters will explore further these aspects.

## 4 Profile of the implementation organisations

The pilot projects have been conducted by three types of organisations:

a) sector *Training Funds*. This involves three training funds: the Training Fund for the foodstuffs industry, the Centre for Knowledge and Development of the potato, vegetable and fruit sector, and the training funds for the care and welfare sectors. Irrespective of some nuances, the motivation of these actors to become involved in the experiment is based on their awareness of the possibility to encourage employees to participate in training activities - at both the branch and firm level – whereby the responsibility is that of the employee. This form of demand-led training involves a 'cultural revolution' for the sectors and individual firms where a provision-led approach has been dominant. In some of the pilot projects a relationship has been established with the Personal Development Plans (POP's) that have emerged in an increasing number of companies. There is also a close relationship with the activities of employability advisers. Via the training funds there is close co-operation with firms. In the first instance, it cost the necessary time to explain the purposes of the experiment to firms and to gain their interest. Firms have become increasingly interested in the experiment; an adequate number of firms could be recruited and the number of drop-outs is limited. The Individual Learning Account as instrument appears to fit into the training policies of the branches. While awaiting the definitive results the training funds have indicated their interest in a continuation in one or another form with Individual Learning Accounts after the experiments.

b) *Regional Educational Bureaus* [RBO's]. The RBO's can be best described as 'training intermediaries' that seek to co-ordinate the demand and provision of training and adopt a neutral position. Their interest in the experiments with Individual Learning Accounts is obvious: mediation between demand and supply is their core business. RBO's in three regions are involved in the experiments: RBO-Groningen, RBO-Rijnmond and Knowledge Connect in South-Limburg. These RBO's operate regionally and the contacts arising from their regional basis determine to a large degree the partners with whom they co-operate. Their partners involve among others business firms, local authorities and Regional Educational Centres. Although the emphasis is placed upon an approach through firms, individuals are also approached with the question as to whether they wish to open a learning account. It has also cost the RBO's some time to recruit participants: but the experiences have been positive and

the demand for learning accounts has in some cases exceeded the possibilities.

c) *Regional Educational Centres [ROCs]*. Two ROCs are taking part in the experiment: Deltion College in Zwolle and the ROC Westerschelde in Terneuzen. The interest of the ROCs arises from the idea that this will strengthen their position in the regional training market. Contacts with firms are both a goal and a means in this respect. The ROCs find it important that the motivation to learn – partly from the perspective of lifelong learning – is increasingly the responsibility of employees. They possess an appropriate infrastructure for this purpose. It is of interest for them to explore the manner in which Individual Learning Accounts can be utilised in HRM policies and Investors in People programmes of the firms participating in the pilot experiments. Firms are important for the ROCs in terms of recruiting participants whereby the intake takes place via the firms concerned. Both ROCs have found an adequate number of interested firms to achieve the number of planned learning accounts. There is no question here in either case of 'a captive audience', those interested are free to choose a training course outside of the ROCs involved.

Partly due to the fact that a considerable amount of time was involved in stimulating and motivating the diverse partners, all the implementing organisations in the experiment point out that the time available was limited. Most of them express both ideas and possibilities to continue and if possible to extend the number of learning accounts. This also involves the possibility of co-financing by other partners. From an experimental viewpoint, a follow-up is of importance in that it will contribute more insights into the learning experiences of the participants. Experience with the Individual Learning Account can then be related to an exploration of the possibilities offered by the Personal Development Accounts (POR). In a follow-up it will be necessary to explore the manner in which any extension or addition to the experiments is necessary in order to guarantee an optimum basis for the Personal Development Accounts. A successful follow-up in 2002 can thus lead the way for those involved in the expected introduction of Personal Development Accounts in 2003.

## 5 Form and structure of learning accounts

In organisational terms the projects can be divided into two categories:

- (1) projects where the allocation of learning accounts and the contacts with the owners of these accounts remain in the hands of the project organisations themselves;
- (2) projects at some distance from direct implementation that place the allocation of learning accounts and the contacts with the owners of learning accounts in the hands of employers. Such projects are in effect divided into a number of firm-specific projects.

In the first case, someone from the project organisation – as a case manager - has direct contact with the owner of a learning account. Learning needs and training possibilities are discussed and agreements made. These are subsequently discussed with the employer but are primarily concerned with the wishes of the individual involved.

In the second case, the relationship is with the employing firm and the contact person for the learning account holder is a staff member of the Personnel & Development/ Human Resource Development department. This usually involves firms that are engaged in the introduction of personal development plans or aim to implement the concept of 'investors in people' in their organisation. Where this is not the case and firms have a somewhat traditional training policy, some project organisations regard it as their responsibility to communicate the ideas behind the individual learning account – that it is demand-led - with the firm and to make clear agreements about this either before or during the implementation.

There are also pilots that are more geared to the needs of employers as regards the use made of the learning account and a lack of clarity as to how learning accounts are conferred in firms – more or less contradicting the original intention.

There are as a consequence significant differences in the degree to which the account-holders are free to make decisions about the investment of funds in their account.

With the exception of one project, the learning accounts have taken the form of a savings account. Contributions to the accounts have been made by the ministry, the employer or training fund, and also the owner, although in one exception the only contribution was that of the Ministry. The minimum level that others can invest in an account is agreed per project beforehand. This can take a number of forms. For example, the training fund adds € 136,13 extra to each account. A similar sum is required from the employee but in practice the €136,13 involved is reimbursed by the employer. In the case of another training fund the employer deposits € 453,78 to each learning account. An ROC grants a bonus of € 45,38 for each followed at this institution. In this case the employer contributes € 113,45 and the employee € 113,45. In one region, it has already been decided to extend the experiment for a second year. The costs will be covered by two local authorities. Further contributions will come from the employers with € 431,09 and employees with € 22,69 per account. In addition to its participation in the subsidised system for some of its employees, one firm has decided to give all its other employees (60) a learning account at its own costs. (The final report will provide more detail about the variations).

No specifications were agreed beforehand about the kinds of costs that could be reimbursed from the contribution of the ministry. There are subsequent differences in the costs reimbursed by the account managers. Compensation of the costs of absence from work and child care are not reimbursed by any project, while there are differences with regard to travel costs, books and other learning materials.

The same applies to the conditions under which the financiers make the contribution to the account; is participation enough or does payment take place on acquiring a diploma? In most of the pilots participation in a learning trajectory is regarded as more important than getting a diploma. There are very few exceptions to this rule. One project, for example, regards the acquiring of a diploma as the criteria for determining the value of the reimbursement, while one employer in another project will reimburse the costs of the employee when a diploma is achieved.

Management of the accounts is in the hands of the project organisations themselves (4) or have been delegated to a bank (4). The motive to delegate the account management to a bank had above all to do with the 'sense of reality': to create a situation where the learning account owner clearly has

access to a learning budget managed by a 'neutral' organised that can be invested in one's own development. This construction will no doubt have given rise to this kind of feelings, but other factors have also made a contribution. Furthermore, the experiment has clearly demonstrated that the laws on the credit system will demand the management by a bank in the future.

## 6 Recruiting participants

Each of the eight pilot projects was allocated 150 accounts. This enabled a maximum of 1200 learning accounts to be opened. (N.B. in the case of some applicants the number of accounts approved was lower than that projected)

As was indicated in Chapter 4 the projects had little problem in meeting the recruitment targets. Most projects reached their targets in the second half of 2001.

The projects have communicated in different ways with potential account-holders about the possibility of opening an account. In some projects, especially projects of the second type, contact was first established with firms and those firms with an interest subsequently approached their employees. A few pilots devoted a lot of energy in providing information about individual learning accounts especially to meet the needs of small - and medium-sized firms. As a result, the recruitment of participants took more time than was envisaged and this was particularly the case where recruitment only commenced after the approval of the application.

Between 75 to 100 firms and organisations are taking part in the pilots. A wide variety of different firms are involved including wholesalers and retailers in the potato, vegetable and fruit sector, chemical firms, electrical engineering, four large dairy product companies, installation technology, employment agencies, a sheltered workshop, one provincial government, municipal services, residential and nursing homes. Both small- and medium-sized firms are involved.

They have varied motives for participation. In the care and welfare sector, for example, the institutions saw the introduction of learning accounts as a way of implementing collective bargaining agreements and as a way of jointly gaining experience. Similar motives apply to a number of firms. For other companies participation was part of the line of development towards becoming a learning organisation. Participation in the experiment has also led some to modify their personnel policy in this direction.

For many small- and medium-sized firms the motive is that they wish to invest in the training of their employees but have neither the time nor money to do so.

There are, furthermore, firms that make use of learning accounts for the retraining of lowly qualified personnel in relation to the reorganisation of working practices or as a preparation for another function or workplace. There is a surprising lack of fear among employers that employees making use of learning accounts will subsequently leave for another job. Given the tight labour market, the majority of employers are convinced that they can profile themselves as good employers through making the learning account available as a secondary condition of employment, or that using learning accounts will stimulate their employees to develop themselves further.

In addition to via employers, participants have also been recruited through employability advisers of branch organisations, via advertisements in free house-to-house papers, and direct mail to the private addresses of (ex-) clients of a social service department. The projects have had variable experiences with these more direct forms of recruiting. The response was high in one project that used advertisements in papers and direct mail, while in others the recruitment was more difficult and other channels had to be explored.

## 7 Participants, motivation and training choices

Most of the participants belong to the target group of the project: low qualified and with an average or below average wage (the final report will provide exact figures). Given that the more highly qualified usually benefit more from training within firms, it would appear that learning accounts reach people who would not otherwise engage in training.

Peoples' motives in opening and managing a learning account have to be understood in terms of the way the learning accounts are introduced. Projects placing the emphasis on 'an own account' and 'freedom of choice' report that these aspects were valued by the participants. In the words of a spokesman of one of the pilots: 'first of all the opportunity for one's own bag of money, and then think about training'. This order of things: 1) gives participants the feeling that they can themselves choose; 2) stimulates reflection about their own wishes for training; 3) introduces the space to organise one's own learning and 4) gives the feeling that they are being taken seriously.

An illustration in this regard is the Regional Educational Office in Rijnmond. When the principle of a learning account had been explained to them, all those expressing an interest in an account indicated that they already had ideas about how to make use of the budget made available.

The potato, vegetable and fruit sector together with care and welfare report similar experiences. One's own control of a real budget gives an almost tactile feeling that one invests in one's own future, that one's own wishes are taken seriously and that training does not have to be undertaken 'because the boss says so and I obviously do things wrongly'. It is exactly among the lower qualified that the availability of a budget appears to be a direct stimulus to think about their own development.

The freedom to choose a form of training varies from project to project. Freedom of choice was above all restricted in those firms that used the learning account for retraining from the perspective of changes in working practices or as a preparation for other work. But these were the exceptions. In most of the projects, the firm, the employee and/or project organisation examined the most appropriate training and participated in negotiations with the providers of training.

Given the current phase in which the pilots find themselves, not all owners of a learning account have made an actual choice for training. It is not possible, therefore, to provide a complete picture of the nature of the training that has been purchased with a learning account. But the diversity is obvious. It varies from acquiring a commercial driving licence, computer courses (Access, Excel, Word), but also courses directly related to the current job such as managing aggression for front-desk work, furniture repairs for a stockroom worker in the furniture branch, safety advice in the transport sector, learning Dutch in the workplace; and the appropriate trade diplomas.

## 8 Provisional conclusions

Although it is still too soon to draw definitive conclusions from the experiments, it is possible to indicate a number of provisional conclusions.

The most important are:

- there is an interest in ILP both among employees and employers. Despite the fact that the ILA involves a 'cultural revolution' for firms, they are interested in the idea of demand-led training and they are willing to explore the possibilities offered by the ILA in this regard;
- the organisation of learning accounts can be take place via different actors. The involvement of (the representatives of) firms is essential to approaching potential employees as holders of learning accounts;
- the learning account can be best related to other instruments such as POPs, human resource policy and employability strategies. The experience of the three training funds involved suggests that good possibilities for this arise when learning accounts are integrated in the total training policies of the training funds;
- between the diverse sectors there are obvious differences in motivation together with the degree in which the ILA fits in – or at least is not in conflict with – present policy, and this also applies to the experiences of the sectors and firms that are involved in the experiment via the RBOs and ROCs. This argues for more tailor-made and sector-specific agreements in the further implementation of the ILA;
- support from a third - more or less neutral party - is needed in acquiring insights about shortfalls in knowledge and skills in relation to the appropriate training required. Both the present and future employability of the individual must be the primary issue: this means that shortfalls in relation to the current job should not be the only point of departure of the need for training;
- the actual management of the learning account – content, purchase and payment – can best placed in the hands of the individual. This is highly motivating. It is necessary, however, to avoid too great an administrative burden for the individual;
- working on the basis of a 'real account' is the most motivating approach. This is more preferable than working with vouchers or 'virtual accounts' – whereby the individual has a view of the transactions but carries no responsibility for them;

- with regards to the target groups it appears that learning account is an instrument that can be a stimulus for the low qualified and those who have up to now not participated much in training. According to the organisers of the pilots it is motivating for employees that they for the first time have (financial) control of their own training and have the idea that they are 'taken seriously';
- learning accounts work in the context of both small and large firms.

## 9 In conclusion: questions by an eventual extension

The eight pilots experiments with ILA involve relatively small-scale field experiments. On the basis of these experiments a number of provisional conclusions can be drawn. Given their very experimental nature, it is inherent to such field experiments that a number of questions arise during the implementation phase that were not envisaged and cannot be answered within the specific context of the experiment. Because this involves questions that require resolution prior to a large-scale implementation, it is important to identify these questions as early as possible. As a conclusion to this provisional report, the most important questions arising to date are indicated here in relation to three topics: the manner of financing; the users; the compensation; and the providers.

- *Financial arrangements.* How can learning accounts be financed in the future? Is (a partial) direct funding by the government possible and desirable? What is the role of the training funds? Will funding be through the tax system? What are the consequences for both firms and the individuals? Are tax reductions available at the point of purchase or at the point of investment in an account? Is the learning account merely a supplementary instrument? Or does it replace – in part – other instruments? If so, which instruments does it replace? What is the role of government, the social partners, the sectors, the training funds? Is the learning account a part of collective bargaining? In which context will the learning account be implemented?
- *The users.* Can everyone make use of the ILA? Or only employees? If so, does the learning account apply to all employees or only for those without a start qualification? Is the learning account also an instrument in relation to unemployment policy (i.e. specific for those looking for work)? What is the real and desired influence of the individual?
- *The compensation.* Can everything be paid for with the learning account? Or only work-related training? Who decides this? Must certification be related to the training? How does the Accreditation of Prior Learning [APL] have a place? What is compensated: fees, material, child care, travel costs,

costs of replacement in the workplace? How long can an account be saved? Does the account remain in the name of the individual after retirement? What to do with surpluses? What happens on the death of the account-holder?

- *The providers.* How does the training market respond to learning accounts? What is the relation between private and public providers? How far is a total view of providers necessary? Who undertakes quality control? (One of the reasons to temporarily stop the experiment in England was the concern about the price/quality relationship). What is the role of advisers and training intermediaries?

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