Training agencies as intermediary organizations in apprentice training in Norway and Switzerland: General purpose or niche production tools?
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In recent years Norway and Switzerland have introduced local training agencies (TAs), local intermediary organizations consisting of firms involved in apprentice training. In both countries, the starting point for the formation of the TA was roughly similar: enabling more firms to participate in apprentice training. Despite similar tasks, TAs have developed differently in the two countries. In Norway TAs have evolved as general-purpose tools in the governance of apprentice training while in Switzerland they are restricted to small niches. The article investigates these different outcomes using theories of intermediary organizations in the governance of collective skill formation systems at the local level.

Keywords: Governance, local training agencies, intermediary organizations, collective skill formation, apprenticeship

1. Introduction

The search for new policy instruments and institutions in vocational education and training (VET) has been a constant feature in most European countries since the millennium (Culpepper 2003). As most national educational systems have reached a stage where the whole cohort of youth is expected to enrol in upper secondary education, there is a new awareness of apprenticeship and the virtues of the firm as a place of learning. However, the Achilles heel of apprentice training has traditionally been the lack of enough high-quality training places. Providing more and better apprenticeships has been claimed a priority in the European social partners' 2015-2017 joint work programme (BUSINESSEUROPE et al. 2015). We focus on new intermediary organizations and networks in VET at the local level. Norway and
Switzerland have recently introduced training agencies (TAs), local intermediary
organizations consisting of firms involved in apprentice training. In both countries, the
starting point for the formation of the TA was roughly similar: building new
organizational structures and networks that enabled more firms to participate in
apprentice training (Michelsen and Høst 2004, Walther and Renold 2005). However,
TAs have developed differently in the two countries. In Switzerland, TAs seem to
appeal to small niches of firms engaged in apprentice training. Approximately three
percent of apprenticeship contracts are concluded with a TA. In Norway, by contrast,
hiring apprentices through a training agency comprise around 80 percent of young
people's apprentice training contracts. They seem to function as general-purpose tools
for local inter-firm collaboration in apprentice training, suitable for all kinds of firms
and applications. This contrast raises an interesting research question: How can the
difference in outcomes be explained?

2. Theoretical perspectives: Training agencies as intermediary
organizations in collective skill formation systems

Relevant streams of research for cross-national comparisons of TAs can be identified in
the literature on apprentice training, theories of neo-corporatism (Streeck 1987, 1992)
and in the comparative literature on collective skill formation systems (Busemeyer and
Trampusch 2012a). In this section we aim to bring central elements from these
literatures together to illuminate the role of TAs in the governance of apprentice training
at the local level.

In collective skill formation systems firms, intermediate associations and the state
cooperate in the formation of portable, standardized skill profiles acquired through a
combination of school and firm-based training (Busemeyer and Trampusch 2012a). The workings of this type of systems depends on deliberate public policies, shared logics of action and strong norms of cooperation between firms (Thelen 2014). In the skill formation literature, most attention has been focused on national systems and the role of employer organizations, their relations to unions and their involvement in the administration and reform of skill formation systems (Martin and Swank 2012, Busemeyer and Trampusch 2012b). However, national VET systems display considerable heterogeneity between different sectors and branches of working life. At the local level, national systems are moulded with local traditions and translated into a variety of practices which often deviate considerably from national norms and legal prescriptions (Culpepper 2003). These constellations of actors and structures might produce very different habitats for skill formation. Emmenegger, Graf and Trampusch (2019) argue that there is a need to supplement comparative cross-national studies of national systems with studies on the actual workings of skill formation systems on the local level in the governance of VET. In this paper we intend to contribute to that research agenda.

The emergence and workings of new networks or network-like organizations in the production of training as a collective good represent a promising focus for the study of VET governance at the local level which has not received much attention. In the VET literature, such organizations go under many labels, ranging from inter-firm collaborations, training networks, training circles, learning alliances, training offices, local training agencies, small scale employer cooperation in training, or training consortiums (Schmierl 2010, Bluhm 1999, Michelsen and Høst 2004, Leemann and Imdorf 2015). The labels illustrate that these organizations can take on a variety of
forms and functions. We prefer to use the term training agencies (TAs), which emphasizes that these organizations can be fruitfully analysed as actors in self-organizing local governance networks, characterized by local cooperation, interdependence, resource exchange and rules of the game (Rhodes, 1995).

2.1 Logics of membership and influence
To get a grip on the role of the TAs in the local governance of VET we can turn to contributions from the (neo-)corporatist literature and intermediary organizations (Streeck 1987, Streeck and Schmitter 1985). Intermediary organizations are organizations that have other organizations as members (Streeck 1987, 1992). On the one hand, TAs can be regarded as an expression of values, perceptions and interests that are dominant among a collective of member firms, often characterized as the logic of membership (Streeck 1987, 105), where the focus is on agency-membership dynamics and internal structures. TAs depend on and expect that member firms train and sometimes recruit apprentices in their respective trades and sectors, that they are willing to finance TA activities, and that the training will be carried out according to formal regulations in the trade. These expectations impose constraints, and membership depends on whether these collaborative arrangements are perceived as beneficial and appropriate or not. Over time TAs must be able to secure a stable exchange of resources with members, punish free-riders and reward loyal members.

Intermediary organizations must also mediate between the members and the institutional task environment in which they are embedded. In this logic of influence (ibid), the agency must communicate member interests towards external stakeholders in an adequate way, secure legitimacy, and honour obligations and expectations. This also
implies the forging of compromises and practical solutions to coordination problems over time. Intermediary organizations must come up with two achievements at the same time in order to achieve leverage for agency and autonomy (Streeck 1987). This can be difficult to accomplish, as demands may be conflicting, contradictory or even incompatible (Streeck 1987, 1992). Accordingly, TAs with little or no autonomy in its relation to member firms will find it hard to develop long-term training strategies and fruitful engagement with public authorities and actors. On the other hand, through prolonged and systematic interaction with regulatory agencies and/or para-state institutions, TAs might obtain access to resources, financing and legitimacy in return for paying heed to and adhering to their policy agendas. However, if they develop too far in this direction, they might lose the loyalty of their members, which might defect or avoid membership.

The formation and evolution of TAs as intermediary organizations might also have additional implications, in so far as they intervene in established actor configurations between training firms and employer associations as well as in the division of labour between various public or para-state authorities and the employers/unions in the governance of VET. Variation in local government structures and local governance networks and habitats might shape intermediary organizations like TAs in different directions. Local political and/or administrative decision makers might try to exploit TAs for a number of purposes, ranging from efficient implementation of local VET schemes for capacity building to affirmative action schemes in apprentice training. TAs may also be able to act as catalysts for the transformation of firm perceptions, preferences and practices or adhere to older values and practices. The character and strength of these pressures may in turn affect member inclusiveness and agency strategies in various ways. These
prospects make local TAs an interesting object for the empirical study of reform in the governance of collective skill formation systems.

3. TAs and varieties of collective skill formation

Collective skill formation systems have a number of commonalities, but they also vary significantly. Switzerland is often considered as one of the primary examples of a continental type of collective skill formation system (Busemeyer and Trampusch 2012b), characterized by vocational training in firm-specific and industry-specific skills as well as the separation between welfare arrangements/social policies and education (Busemeyer 2014). With a share of 90%, apprenticeship training is by far the most prevalent form of VET, and is mostly organised as one-company-based VET. Around two third of all young people who complete compulsory education enrol within 2 years in VET (65’000 apprentices in their first year of VET). Dual-track VET programmes are by far the most prevalent form of vocational education and training. This proportion has remained constant for years. (SERI 2018).

Norwegian VET has traditionally been classified as a social democratic skill formation system, where the comprehensively organized educational system is recognized as an integral part of the universalist welfare state, where the state is active and strongly involved in policies for inclusion in education (Michelsen and Stenstrøm 2018). The Norwegian model follows a sequential logic based on a combination of two years of school-based VET followed by two years of apprentice training in the firm. Qualified applicants compete for apprenticeships among 20,000 registered training firms, and approximately one third of a youth cohort enters apprenticeship, the majority before they are 20 years of age. About 50% of all youth enrol in VET tracks after completion of compulsory education. This has been stable for years, but the apprenticeship system has been incrementally growing since the 1970s. Both systems are normally considered as consensus-oriented and corporatist, permeated by bargaining and open styles of policy-making, where the major producer groups and political actors are embedded in dense corporatist arrangements (Katzenstein 1984, Lijphart 1999).
However, the character of these corporatist structures varies. Switzerland is often regarded as an expression of the liberal form of corporatism (Bonoli and Wilson 2019). Norway, on the other hand, belongs to the family of social democratic corporatism. Esping-Andersen (1990) argues that these types of states are distinct, and they have developed different types of policies and educational structures. Core elements of the difference between the two systems can be captured though the distinction between state-led and firm-sponsored collectivist VET systems (Thelen 2014), where the distribution of power and capacities between the state and the firms in the governance of VET is differently shaped. We argue that these two different systems provide interesting contexts for the study of intermediary organizations like TAs in VET. We assume that the interaction of the logics of influence and the logic of membership in the shaping of TA task profiles iTAs will be affected by these different habitats, structures, governance arrangements and practices in the different collective skill formation systems in which they are embedded, providing different constellations of resources and constraints for the development of the TAs.

Furthermore, both countries are small, open and decentralized states (Katzenstein 1984). Switzerland is a federal state divided into 26 cantons where each canton enjoys relative autonomy in the field of education. Norway is a decentralized unitary state, divided into 19 general purpose county municipalities, which develop their own policies and practices within the confines of broad national regulations. Thus, persistent local variation in conditions for TA formation and TA practices can be expected in both countries.

4. Measuring profiles of training agencies

Enabling more firms to participate in the production of standardized portable skills through the apprentice system has been the main consideration leading to the formation of TAs in both countries. The big question is how TAs as intermediary organizations engage in the governance of VET. To map the cooperation and division of labour between the member firms and the TA, and between the TA and external actors, we
propose four different core tasks upon which TA profiles can be investigated. We ask four core questions, which we elaborate on in the following section:

4.1 Who trains?

Apprenticeship usually denotes an attachment of apprentices to an employer for a specific number of years, where they engage in work-based training (Ryan 2012). Often this relation is formalized contractually though a work contract and/or a training contract signed between the training firm and the apprentice. The training in the firm is enabled and constrained by firm layout and production structures. Membership in a TA allows the production of broader as well as more versatile skill profiles that transcend the training capacity of the individual member firm. This requires that the apprentice is temporarily relocated to other member firms for additional training or to other training venues through coordinated rotation schemes organized by the TA. However, collaborative inter-firm rotation schemes within the TA challenges the “classical” one-to-one contract between the apprentice and the training firm and expose the individual training firm to poaching strategies from other member firms. Furthermore, such arrangements also require coordination from the agency as well as formal contractual solutions to issues of accountability, financing and employment. Such considerations open for transferring the legal responsibility for the training from the training firms to the TA. On that basis, we assume that variations in the provision of training will affect relations between the training firms, the TA and the public authorities.

4.2 Who pays?

The significance of financing is a well-established feature in the literature on VET systems (Busemeyer and Trampusch 2012b). We assume that the level and structure of
financing have implications for the position of the TA in relation to members and
towards public authorities. High levels of firm funding will mean a high threshold for
member firms. High levels of public subsidies will create a lower threshold for firms to join a
TA and reduce the financial dependency of the TA towards the member firm.
Accordingly, high levels of state subsidies allocated to TA formation and maintenance
will probably create conditions for high levels of dependency to the state, while low
levels of state funding will probably strengthen the position of the TA’s in relation to
public authorities. Changes in the level of funding and funding arrangements might also
create conditions for the position of TAs over time. In some types of systems, state
subsidies are not generally accepted and perceived as fundamentally impairing the
autonomy of the firm (Thelen 2004). Under such conditions, the state will not have
strong financial instruments at its disposal in order to affect changes in firm-based
apprentice training. In the start-up phase TAs can rely on short-term incentives and
schemes from local government, but over time additional resources must be acquired
from other sources.

4.3 Who monitors?
Traditionally, monitoring implies that the individual training firm must obtain VET
accreditation from relevant (public) authorities, agencies or associations. This implies
the formalization of the right of regulatory agencies to extract information from training
providers on the quality of the training, and the duty of the training providers to supply
adequate information. The extent of monitoring depends on the character and the degree
of detail in the regulations. But of equal importance is how these regulations are
interpreted and practiced, and by whom (Busemeyer and Trampusch 2012b). In
decentralized collective skill formation systems, strong forms of formal standardization
in tandem with a high degree of detailed monitoring can be intimately related to flexible enforcement, providing room for local adjustments and adaptation (Gonon and Maurer 2012; Emmenegger, Graf and Trampusch 2019). We assume that intermediary organizations like TAs can provide potential solutions to the problem of monitoring at the local level, securing flexibility and adaptability as well as local coordination and collaboration, but in different ways and formats.

4.4 Who recruits?

In collective skill formation systems, the recruitment of apprentices has traditionally been organized according to the preferences and timing of the individual training firm. The general view emphasizes the tight coupling between the training firm and the apprentice, where the firm recruit apprentices as a source of (future) labour. However, policies for the inclusion of specific target groups in apprentice training or perceptions of upper secondary education as education for all have challenged this view. Here we want to close in focus on the role the TAs would take in the division of labour between the TA and member firms in the identification and selection of applicants. We assume that TAs are expected to play an intermediary role in the recruitment of apprentices as well as in the implementation of apprentice inclusion policies, but also that we will find variations and tensions in TA/member firm recruitment norms and practices.

5. Cases, data and applications

We have charted the evolution of the Norwegian and Swiss TAs, their organizational forms and formal structures, the tasks they perform and their relations to member firms and external stakeholders (county municipalities/cantons, professional, para-state and employer organizations) in the period 1990-2015. Information on the provision of training, funding arrangements, monitoring and recruitment practices have been
obtained from various public sources and through material collected in empirical studies of training agencies and their functioning in the two countries. In addition to these sources, we rely on two national surveys of the entire population of training agencies and their affiliated companies in Norway in 1997 and 2014 (Michelsen, Høst and Gitleсен 1998, Høst et al. 2014), and an evaluation (questionnaire) which comprises all TAs and their affiliated companies in 2008 by the Swiss federal government (BBT 2008). We have collected a broad set of interview data from a selection of TAs and their member firms, from Norway (1997 and 2014) and Switzerland (2014). We have also interviewed representatives from the national VET council, the national educational authorities, regional VET-councils and county councils in Norway as well as representatives from the federal government of VET, the conference of cantonal ministers of VET, and of pioneers of initiating TAs in Switzerland. The data have enabled us to compare the TAs in Norway and Switzerland in terms of organization of relations between the training firms, the TA and external stakeholders along the four above-mentioned dimensions.

However, available data on local cooperation and governance practices and the workings of TAs in the two countries are not symmetrical. Unfortunately, there is not much systematic research available in Switzerland on the actual practices of cooperation at the local level in the governance of VET between cantonal vocational training offices, training organisations (mainly training companies) and intermediary organisations (professional associations, training agencies) (Emmenegger, Graf and Trampusch 2019).
6. Trajectories, task profiles and logics of membership and influence

This section presents TA task profiles and trajectories in the two countries. Table 1 provides an overview of the main results, which in turn are fleshed out in the two following country subsections.

Table 1:

6.1. Norway

6.1.1 Trajectories

The launch of the TAs in Norway is strongly related to the pathbreaking 1994 reform, where the apprenticeship system was formally integrated into a comprehensive system for upper secondary education. All 16-19-year olds were given a statutory right to three years of education, either general or vocational. The new system required new regulations as well as a strong and consistent rise in the number of apprenticeships. To facilitate expansion, one of the most important measures was the formation of local TAs. The idea was that firms affiliated with such an agency would be able to offer high quality apprentice training programs if supported by TA coordination and monitoring, inter-firm rotation schemes and more generous financing arrangements. Within few years, this policy triggered a transformation of the Norwegian TA scheme into a general frame for organizing apprenticeship training. In 2014, the TAs had increased their share of the training contracts to a staggering 80 percent (Høst, Skålholt, Reiling and Gjerulstad, 2014), and the number of TAs presently exceed 300.
6.1.2 Task profiles

TAs have a potential for involving enterprises which are too small or too specialized to offer the full range of apprenticeship training through rotation schemes. However, available data does not provide much support for the significance of rotation schemes, with some notable exceptions, e.g. in the public health sector, where regulations explicitly require rotation between different training sites. As a rule, the individual member firm is formally recognized as a training firm on its own, performs the training of the apprentice on its own, and there is consequently no need for inter-firm rotation and coordination of training trajectories.

As far as **financing** is concerned, apprentice wages are paid by the training firm. But the growing need for more apprentices has been reflected in the structure and level of state funding. State subsidies have increased considerably after the reform, and subsidies to TA members are allocated directly to the TAs on a yearly basis. Normally state funding exceeds TA operating costs by a considerable margin. On average, fifty percent of the funding is redistributed to the member firms by the TA governing boards, which consist of representatives from the firms (Høst, Skålholt, Reiling and Gjerustad, 2014). In effect state funding is shared between the TA and the members and considered as just compensation for their joint training efforts.

New state and local regulations in the form of quality assessment systems have opened up for the intensification and broadening of **monitoring** in firm-based as well as school-based training. The TAs have moved in and taken over the formal responsibility for documentation and monitoring of training from each member firm. This transformation has been facilitated by technological change in the form of digitalized systems for
quality assessment, where documented training forms the basis for site visits and follow-up on training progress for the individual apprentice from TA personnel.

Norwegian TA members do not delegate recruitment of apprentices to the TAs and they normally recruit apprentices based on a combination of publicly organized transition processes and individual applications. Lists of interested and qualified absolvents from local VET schools are each year prepared by local authorities and made available to the TAs in relevant trades and candidates distributed to member firms. Tas as well as individual training firms also welcome applications for training places on an individual basis. This represent an alternative channel to the public transition process and is normally used by older applicants or by applicants interested in a particular training firm and individual applications (Host, Skålholt, Reiling and Gjerustad, 2014).

The selection of apprentices, in particular in the small enterprises, which dominate among training firms, is mainly based on traditional working life criteria, like ability to be on time, low absence and motivation to learn. Ability to fit into the firm as a social organization is often seen as more important than school performance and grades, and many firms have continued the old tradition of recruiting apprentices based on family- and social networks rather than formal school criteria. TAs do not actively intervene in the selection of individual apprentices. But they do put pressure on member firms to recruit apprentices. They screen and distribute information on applicants, they negotiate the number of training places available, and they conduct marketing arrangements and assist members where they can. They may also lobby local authorities for extra public funding in return for accepting “weak learners”.

6.1.3 Interaction of logics of membership and influence
Three different types of TA models can be identified in the 19 counties, depending on the policies of the county municipalities and the strength and performance of the TAs (Michelsen and Høst 2004). The artisan model of training, where the scope of the agency exclusively comprises one trade, conforms to the classical mode of craft organization. The branch model represents a more comprehensive form of organization and comprises a broader specter of related trades. The strategy of the branch or branch family model is the most common. It is dominant in the industrial trades and in the service sector (machine tools, engineering, office work and IT) and is closely related to the different branches of industry and the service sector, allowing for opening up for the formation of vertical relations between branch level associations at the national level and organized local training interests. The most inclusive model is the multi-trade model, where training can be provided in any mix of trades. The multi-trade model is primarily found in rural areas or in areas with low regional concentration of firms, while the artisan model is prevalent in large urban areas and towns. More than 80% of all TAs are members of networks of TAs, organized by national branch and/or regional affiliation. The TAs have adapted to various combinations of local government, trade and branch specific conditions in the construction of their domains. TA domains are not protected by any sort of local monopoly, but competition between local TAs is not widespread.

Relations between TAs and county municipalities varies. The county municipalities are required by law to build adequate local quality assessment systems adjusted to local conditions. Reporting requirements and practices varies somewhat between county municipalities (Michelsen and Høst 2015). TAs involvement in overseeing and monitoring apprentice learning processes in all member firms has allowed a regrouping of
governance arrangements and practices, where most county municipalities have moved
towards “steering at a distance” through auditing TA quality procedures rather than
practicing site visits. Consequently, qualification structures in most VET county
administrations have been transformed towards more general bureaucratic orientations.
This means that actual training practices among TA member firms are primarily monitored
by TA staff rather than public officials. In some regions, different configurations of actors
and structures sustain more traditional monitoring arrangements based on official site
visits. Despite new and intensified formal accountability regulations, there is not much to
suggest that “real” public monitoring practices have been developed to the full extent of
the law. Public authorities regularly include do not bypass the TAs in monitoring
training quality processes in member firms, and lack of full reporting is as a rule not
punished.

Another central task for collaboration between local authorities and TAs is recruitment
processes. The county authorities and the TAs collaborate tightly on marketing-branding
arrangements and recruitment campaigns. Furthermore, the systematic use of TAs
facilitates publicly organized transition processes and saves time and resources for local
government. Furthermore, the systematic use of TAs facilitates publicly organized
transition processes and saves time for monitoring progress and the need for providing
following-up resources in the local educational administration is reduced

Highly qualified applicants are often scarce, and cooperation with local educational
offices can provide TA members with advantages of first access compared to non-
organized firms. A growing uptake of applicants to apprenticeships is a high-profile
political goal in most counties, and TAs are strongly encouraged to take in additional,
often weaker applicants. TA compliance and cooperation with local authorities in
recruitment processes according to set policy targets represent possibilities for TA influence and goodwill, while refusals to take in additional or weaker applicants might incur future costs and loss of local support. In some county municipalities TA recruitment performance is evaluated against the backdrop of the future calibration of local VET program capacity. This connection provides the authorities with potential leverage in negotiations with local TAs. In turn, the TAs can use similar arguments in their mediations with member firms to sustain a consistent supply of apprenticeship positions. The TAs also play an important role in the handling of formal grievances. The TAs often exert pressure on the member firm to try to find other solutions than the prospect of terminating the apprentice contract. If not, the TA will have to find another member firm willing to take over the apprentice.

The TAs provide new links between local government and the firm in apprentice training. Relations to local authorities are not hierarchical but characterized by mutual dependency and cooperation and subjected to negotiations, compromise and rules of the game. Different local, branch, and sector conditions have contributed to the production of complex structures of TAs with various domains and varying TA-local governance structures and monitoring processes. The individual TA is small and local in character and governed by a board of employers/managers consisting of and elected by the general assembly of member firms. TA capacity in general is quite limited, and task profiles seem to be relatively similar regardless of member domains. For the average TA, the net total of available human resources does not include more than three personman-years, most of them on full time, even though small differences in capacity can be observed. The number of apprentices affiliated to each TA has been incrementally growing and now the average comprises 120 apprentices per TA.
How can we explain why the Norwegian TA model have been generalized and stabilized? In formal terms Norwegian TAs look like weak institutions. TAs do not intervene in training or recruitment prerogatives of the individual member firm but have much focus on recruitment and the monitoring of training. State subsidies are in practice split between the TAs and member firms, and the conflict level between TAs and member firms is low. Heavy state funding and strong local government involvement expose TAs to external performance demands and pressures. But these pressures also provide the TAs with important resources and influence in relation to local government, which depend on their cooperation. There is much to suggest that strong state/county municipal intervention have strengthened the position of the TA in relation to members rather than weakened it, and member firms seem to benefit from the ability of the agency to buffer external demands and negotiate solutions to problems in the local governance of apprentice training.

### 6.2. Switzerland

#### 6.2.1 Trajectories

In the 1990s, triggered by an economic recession as well as structural transformations, the number of apprenticeships on offer was substantially reduced. In view of the large number of school leavers unable to find an apprenticeship position, representatives of dual VET came under increasing political and medial pressure as the willingness and capabilities of firms to participate was increasingly questioned (Leemann 2019). In 1997, the Federal Parliament decided to launch an offensive (parliamentary resolution)
to improve the supply of apprenticeships in response to this shortage of training places.

Supportive measures were created in the form of, where start-up financing and information for the creation of training networks was proposed and accepted (Bundesbeschluss 1997).

The core idea was to create new apprenticeship positions by involving enterprises which were too small or too specialised to offer the full range of apprenticeship training (Knobel 2000; Walther and Renold 2005). Training networks would allow firms to train apprentices through inter-firm rotation schemes (Leemann and Imdorf 2015a). TAs were made responsible for running a training network, which means acquiring enough host companies, recruiting apprentices, organizing a rotation plan, supervising the apprentices, supporting the companies in their training tasks and guarantying quality assurance of apprenticeship training as well as handling grievances and problems with apprentices. TAs represented problem-solving opportunities in all these areas which now could be acquired – at an additional cost. TAs were constructed in several legal formats, as an association, foundation or limited company (BBT 2008).

6.2.2 Task profiles

The Swiss training-network-TA model comprises several distinct features that differ strongly from the traditional one-company model of apprenticeship format. Firstly, the apprenticeship contract is concluded between the TA and the apprentice, as the TA possesses the relevant VET accreditation. One consequence is that apprentices have two trainers: a training manager at the TA and a VET instructor in each company that takes part in the rotation scheme (shared guidance). Besides, companies must transfer
discretion as well as responsibility to partner companies involved in the rotation scheme.

Secondly, responsibility for recruitment and selection of apprentices are also allocated to the TA. Consequently, the member firms lose their influence on the selection of apprentices and cannot bring their selection criteria and traditional ways of recruiting (e.g. by social/family bounds, by PR-policies) into play. As a result, companies in training networks lose the exclusive right to recruit, train and socialise youngsters based on their organizational specific criteria and requirements (Leemann et al. 2016). In principle rotation schemes have a potential for improving conditions for more versatile quality training, which in turn may strengthen the position of the apprentice in the labour market. Most TA apprentices regard the flexibility required by the rotation scheme, getting to know different companies, the resulting broad professional training and the many new contacts as an opportunity rather than a burden. But on the other hand, Moreover, the rotation scheme and the shortened training period of 6-12 months in each company reduces the productivity of the apprentices and increases time and effort spent in supervision, as apprentices have to be re-introduced to the tasks and norms of the company every year anew (Leemann et al. 2016). Furthermore, the implementation of the rotation system creates a variety of distributional problems. Competition among companies for trained apprentices is more obvious and more real, as participating companies are pitted against one another in the competition for the best apprenticeship graduates (Leemann and Imdorf 2015a, 2015b).

Thirdly, TAs function as mediators between the companies, apprentices and the cantonal authority in the monitoring and quality assurance of training. TAs invest in
monitoring and quality management through an official site visit at the time of application of a firm, through regular visits of the apprentice at the half-yearly assessment interview, through additional contact per Email, telephone, and meetings at the TA and through surveys among apprentices and companies. “This gives it a kind of control function over the training companies”\(^1\). However, lack of data present problems for interpretation and further research on these questions of local VET governance is needed. In general, TA training has a potential for superior training quality (Leemann and Birr 2015). Moreover, TA’s monitoring is enhanced compared to that of micro-enterprises, which due to resource poverty, are exposed to strong tensions between production and training (Baumeler and Lamamra 2018). Micro firms often recruit apprentices with lower school achievements and therefore are important for youth integration into the labour market. In consequence, “state authorities might not insist that micro firms comply in every respect with the law”\(^1\) when formal workplace trainer qualifications or working hour regulations are not adhered to (Baumeler and Lamamra 2018, 16). TA’s monitoring might therefore encounter resistance from (micro) companies.

Finally, the participating companies pay for the services provided by the TA, for running costs as well as apprentice wages. On average, the financial contribution of the company amounts to approximately double of the salary for the apprentice (BBT 2008). Available state subsidies are limited and temporary in character. Since 1997, TAs can request start-up financing for the first few years of running a training network. Later, they have to be self-financed. Many of them are forced to raise additional funding either

from the canton by being commissioned to provide additional apprenticeship places (e.g. for selected professions, for socially disadvantaged youth) as part of the apprenticeship marketing programme or by community donations. This is difficult and time consuming in most cases (Leemann 2019).

6.2.3 Interaction of logics of membership and influence

More than twenty different occupations (professional trainings) are offered in TA networks. Around half of the TA networks train apprentices in a single occupation. TA membership vary from two training companies up to TA with 100 members and more. The average TA network consists of eight training companies. However, some common features can be identified based on available data. Control over and responsibility for recruitment, training and monitoring places the TAs in a strong formal position in relation to member firms. However, this position is eroded and undermined through a variety of practices, where member companies negotiate company-specific demands and expectations in the recruitment, supervision and training of apprentices (Leemann and Imdorf 2015b; Leemann et al. 2016). This has led to tensions and conflicts between the TAs and member firms. TAs must take these pressures into account, in order to avoid exit solutions. In turn, these adaptations produce new strains, fuelling new demands and tensions between members (Leemann and Imdorf 2015a). Some companies make participation in the network more or less explicitly conditional upon receiving apprentices that have reached an advanced stage of their training trajectory, while others insist on receiving “Swiss” rather than “foreign” apprentices.
Furthermore, internal strains have been accompanied by loss of external legitimacy and support. Initially, the Confederation defined a separate subsidy area for the promotion of training networks. The Swiss Conference of VET Offices committed to the new training model and produced a Training Agency Handbook "at a remarkable pace" (Gertsch 1999, p. 3). Many cantons included the model in their plans and committed individual actors in the cantons repeatedly tried to support the establishment of training networks by networking interested actors. The aim was to set up a separate professional organization for training networks in order to maintain sufficient influence and assertiveness in the collective governance by the three partners – the Confederation, the cantons and professional organisations. However, it was not possible to consolidate a common basis of interest and to recruit enough members. Soon it became apparent that the establishment of training networks was lagging. In 2017 only approximately three percent of apprenticeship contracts are concluded in a training network with a TA.

How can we explain why the Swiss model has not spread substantially despite efforts towards stabilization and generalisation? In formal terms Swiss TAs possess substantial decision-making powers in relation to members (logic of membership). Nevertheless, to run a successful training network, TAs must respect and consider the expectations and interests of their member firms regarding recruiting, training and financing, and they must not act too much as control instances in monitoring quality of training. This is crucial for preventing defection of companies. As we have mentioned above, TAs are constantly concerned with managing the strains resulting from the diverse features of the model, where practices tend to undermine their strong formal position. Moreover, they must invest a lot of time and financial resources for the recruitment of a pool of

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2 Personal information from the Federal Statistical Office.
training companies as members of the TA (BBT 2008, p.11). On the other hand, training networks and their respective TAs depend on supportlegitimacy from public authorities and from professional organizations (logic of influence). This was the case in the initial phase at the end of the 1990s. Later, when the apprenticeship market eased, the Confederation has been reluctant to intervene in the policy of the cantons and left to the professional associations and companies to decide whether training networks should be developed within their branches, and the TA model disappeared from the political agenda. Furthermore, it became apparent, that the model was causing difficulties in implementation (Gertsch 1999). High costs have made TAs vulnerable to resource problems and attrition. Companies must pay a flat-rate contribution to the TA. About one half covers the wage of the apprentices, the rest covers TA services. The visible registered costs of training apprentices are thus about twice as high for TA members compared to companies not affiliated to a TA. Financial support for TAs by cantonal authorities is often related to start-up periods or comes with the obligation of integrating school leavers who encounter problems in getting an apprenticeship place (Imdorf and Leemann 2012).

As a result, the TA model based on training networks has evolved into a niche. Today, we can find two types of such niches that have been established during the last twenty years (Leemann et al. 2016). One type is characterised by its features of social inclusion (Imdorf and Leemann 2012). These training networks are initiated predominantly top down by (para-)state actors in the context of cantonal apprenticeship marketing. They pursue the aims of creating new apprenticeship places for school leavers who did not find an apprenticeship directly after compulsory school and of installing more universalistic recruitment processes. The other type is distinguished by its focus on
capacity building and improving quality of training. These initiatives evolved as bottom up processes from the professional organizations or companies due to skills shortage, specialisation of companies, and special skill requirements (BBT 2008, p. 9).

7. Discussion

Now we can return to our research question: TAs were introduced in both countries as instruments to “solve” the shortage of apprenticeship places in the 1990s. How can differences in outcomes be explained? We have conceptualized TAs as intermediary organizations in the governance of VET. We have suggested four different types of core tasks we can analyse while studying training agencies in terms of the interaction between the logic of membership and the logic of influence. As intermediary organizations, the TAs in both countries perform similar tasks, but they do it in very different ways. A systematic comparison of TA’s task profiles indicate that they have evolved into solutions to different problems. As such, their respective profiles have been formed by the institutional environment, which they were assumed to impact.

In Norway, TAs have evolved into flexible, general purpose tools, where a highly heterogeneous membership of training firms in different geographical settings, different sizes, different sectors (public or private) and different branches of working life seems able to benefit from their services. 80 percent of all apprenticeships are solicited by TA member firms. Joining a TA is comparatively cheap, and the state provides heavy subsidies. Members are recognized as authorized training firms on their own, the selection of apprentices is firmly in the hands of the individual member firm, and inter-firm rotation practices are not widespread. In Switzerland, training networks run by TAs seem to have found more marginal space in two small niches. Only three percent of the
total number of apprenticeships contracts are concluded with a TA. The Swiss TAs are formally responsible for recruitment and coordination of rotation schemes. In practice, the strong formal position of the TAs in recruitment and rotation tasks seems to create tensions in TA relations to member firms. Compared to Norway, membership costs are considerably higher due to the combination of limited and short-term public subsidies and resource-intensive professionalised support offered to member companies during the training. The net result has been low interest among training firms and loss of legitimacy.

In Norway TAs have quite unexpectedly grown into new and important structural components in the governance of the VET system, capable of adjusting to local government pressures and local branch/sector specific variations. Their performance testifies to the strength of weak institutions. Norwegian TAs have low formal decision-making powers in relation to member firms. They are furthermore totally dependent on public subsidies. Yet, local authorities are heavily dependent on the TAs for reaching policy targets on apprenticeship. This illustrates the mutual dependency relations between local government and the TAs. In monitoring and recruitment, the TAs serve as mediating organizations and as a buffer between local government on the one hand and member firms on the other. Despite the intensification and broadening of formal monitoring regulations, the extent of monitoring practices has remained relatively stable.

While the Norwegian development illustrates its state-led character, the firm-led Swiss institutional configuration points towards a different direction. The autonomy of the apprenticeship system has traditionally been highly valued. It is the dominant form of
upper secondary VET supplemented by VET schools. The contrast to the Norwegian trajectory, where apprenticeship has a far more marginal position in terms of enrollment, is considerable.

Much of the tensions in Swiss TAs have focused on the problems of inter-firm rotation as well as insider-outsider issues in the development of more inclusive practices in apprentice recruitment. The combination of TA’s formal control of recruitment and coordination of rotation practices have challenged old values and practices in the employer dominated Swiss system, as TA affiliated firms no longer fully control their own admission and training processes. Moving in this direction would imply a major transformation of the Swiss VET system, where the role of the firm in apprentice training is reconfigured.

The findings find resonance in the neo-corporatist and governance approaches. In Norway, strong state commitment, high public subsidies, new quality-oriented monitoring regulations and steering at a distance practices have provided the TAs with considerable resources as well as tasks. They have gained a significant position in the space between the firm and public authorities in apprentice training. They have evolved into hubs in publicly organized transition processes as well as in monitoring of training quality. They do not intervene in firm prerogatives in recruitment but facilitate monitoring of quality and mediate between the training firm and the apprentice. The development of the TA has furthermore provided conditions for the efect of local governance structures and processes, where local government has regrouped and developed in the direction of “steering at a distance” rather than site visits in quality monitoring.
The contrast to the Swiss situation is staggering. The Swiss TAs intervene more strongly in areas of member firm interests, but they are also more dependent on high member financial contributions than their Norwegian equivalents. The Swiss TAs seem less exposed to state and cantonal pressures than the Norwegian, and possibilities to extract resources in their dealings with local and state stakeholders seems more limited and less stable. Furthermore, the individualized Swiss transition system does not allow TA-local authorities collaboration in the organization of recruitment to the same extent as the Norwegian.

As far as outcomes are concerned, then there is the more long term issue whether the Swiss and the Norwegian TAs training networks can be seen as catalysts for modernization and a transition to a new regime more adjusted to the logic of universal educational systems, where firms involved in apprentice training are increasingly working together under local cooperative arrangements. In a certain sense TAs and the formation of training networks hold a promise of modernizing Swiss recruitment practices and transcending older firm specific training practices. But they work in different ways. Swiss TAs wield stronger formal decision-making powers but also seem more permeated by internal tensions compared to Norwegian TAs, and costs are higher. While Norwegian TAs have enjoyed a strong but unanticipated upturn, it has proved difficult to get Swiss firms on board TA projects. Although the formation of Swiss training networks run by TAs might represent an interesting effort to improve the quality of training and inclusion in small and medium sized companies, modernize the Swiss VET system, their growth potential seems small – so far.
References


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## Table 1: Summary of results

<table>
<thead>
<tr>
<th>Question</th>
<th>Norway:</th>
<th>Switzerland:</th>
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<tbody>
<tr>
<td>Who trains?</td>
<td>– The individual firm</td>
<td>– Several firms together (rotation between member firms)</td>
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<tr>
<td></td>
<td></td>
<td>– Shared guidance of apprentices</td>
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<tr>
<td>Who pays?</td>
<td>– High state subsidies</td>
<td>– Low state subsidies</td>
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<td></td>
<td>– Low firm costs</td>
<td>– High firm costs</td>
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<tr>
<td>Who monitors?</td>
<td>– Monitoring and quality management through public “steering at a distance”</td>
<td></td>
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<tr>
<td></td>
<td>– Monitoring of individual apprentice rights and firm obligations for the training conducted by TA staff</td>
<td></td>
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<tr>
<td></td>
<td>– Individual apprentice rights and firm obligations for the training monitored by TA staff</td>
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<td></td>
<td>– TA responsible for the documentation of training quality to local authorities</td>
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<td></td>
<td>– Annual public surveys of apprentices and trainers</td>
<td>– Monitoring and quality management through</td>
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<td></td>
<td></td>
<td>• official site visit by representatives from the TA at the time of application of the firm</td>
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<td></td>
<td></td>
<td>• regular visits of the apprentice at the company by the training manager of the TA</td>
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<tr>
<td></td>
<td></td>
<td>• surveys of apprentices and companies</td>
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<tr>
<td>Who recruits?</td>
<td>– The individual firm</td>
<td>– The training agency (branding, recruiting, selection)</td>
</tr>
<tr>
<td></td>
<td>– Training agency mediation, branding and screening</td>
<td>– Individual member firms sometimes try to regain influence, where TA may comply with firm expectations</td>
</tr>
<tr>
<td></td>
<td>– Mixture of collectively organized and individualized transition system</td>
<td>– Individualized transition system</td>
</tr>
</tbody>
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