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**EXPERIENTIAL LEARNING THROUGH TRAINING FIRM -
FORMATIVE VALANCES AND PERSONAL DEVELOPMENT
OPPORTUNITIES**

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Abstract

Experiential learning, the learning process for which John Dewey argued, it is now seen as a pressing need in the efforts to boost growth and employment in Europe, noting that Europe needs more entrepreneurs. Integrating entrepreneurship has demonstrated its success for the American culture and successfully has been transferred in the Chinese culture. At the European level, integrating entrepreneurship is seen as one of the possibilities that could respond to issues of absorption and labour market integration. Thereby the education in Europe is required to implement learning models based on practical experiences. The content analysis conducted on the curricula of initial vocational education and training (VET) in Romania revealed the fact that entrepreneurial spirit within initial VET is provided through the entrepreneurship education curriculum, integrated in the curricula frame for secondary education, for the 10th grade, to all pathways, profiles and specializations, with a budget of one hour per week. For the qualifications for the services profile, the modules applicable for the training firm is part of the national curriculum, leaving open the way for expanding the applicability of this component for the other profiles within the local-based curriculum development. Investigative approach analyses the ability to form entrepreneurial skills in the mentioned context, feeling the need to introduce training firm for initial VET regardless of the economic sector for which the student qualifies, in a context with a higher degree of concreteness such as the training firm is.

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1. Introduction - Why Considering *Training Firm* an Experiential Learning Method

In order to give the answer to this question is necessary to underline the fact that for both concepts the student experience and his active involvement is in the center of the learning process. If experiential learning is a wider learning method with its roots in the pedagogical conception of John Dewey, Kurt Lewin, Jean Piaget and David Kolb, applicable for different forms of education, informal, nonformal or formal, the *training firm*, as it is understood in Romania at least, brings students' personal ideas and experiences into the central learning process but in a formal educational environment with the purpose of gaining entrepreneurial skill and competences. And this is because not all the time it is clearly understood by students how to act, how to behave, how to implement, how to develop, until they actually play a role in the *training firm* and apply the theoretical knowledge gained through entrepreneurial modules.

2. Problem Statement – the *Training Firm* Concept

Looking for definition of *training firm* according to Romanian educational understanding we identified some common specifications. *Training firm* it is a didactic concept based on learning through practice. It is *a simulation of a real company* that can be achieved through the direct involvement of a teacher coordinator. A *training firm* is a *simulated company*, which mirrors the real business world operations in a selected branch. It is a didactic concept, an imitation of a real professional situation focusing on educational goals (Bara and other, 2012, p.16-30).

The concept of *training firm*, as it is used by the Romanian practitioners, has many other synonyms in the world wide cultures, such as *practice firm*, *practice enterprise*, *virtual company* or *virtual enterprise*, *simulated training firm*. By *training firm*, it is understood the interactive learning method for developing the entrepreneurship, a modern teaching and learning strategy of involving students from initial VET and not only, for gaining key competence like: entrepreneurial competences, teamwork skills, capacity management, working autonomy, decision making and accountability, independent collection and processing of information, creative thinking, practical application of theoretical knowledge, solving problem situations, perseverance, workplace organization (Annex no. 2 of the Ministry Order OMEdC no. 3172/30.01.2006).

The actors of the *training firm* are: *the student* who is the situation of learning and gaining key competence and specialized competences and in the process of his own career development; *the teacher* who supports the activity of the *training firm*, by coordinating, to scheduling and to controlling it; *the school* which offers the environment and the social headquarter; *the mother firm* which is a real partner supporting the *training firm* by offering the "knowhow" in the area of the *training firm* activity and sometime sponsorships it and ROCT (Department for the Coordination of Pre-university Education *Training firms*).

This is the understanding of the concept in Romanian educational system since 2001 when *training firm* started to be used for initial vocational education and training system as an ECONET project experience.

3. Research Questions

How the *training firm* contributes to developing entrepreneurial skills for Romanian initial VET system in Romania?

4. Purpose of the Study

Our study is focusing on gather facts about a *training firm* phenomenon in Romanian initial VET system.

5. Research Methods

The mixed methods approach incorporated methods of collecting and analyzing data from the official web sites dedicated to *training firm* in Romania. The first web site is <http://firmaexercitiu.tvet.ro/> developed within a European Social Funds project - *Teacher training in TVET - profile SERVICES, modern learning method for extending learning interactive training firm*, and <http://www.roct.ro/>. The second site is <http://firmaexercitiu.tvet.ro/>, dedicated to ROCT platform.

The second data analyses focused on curriculum documents which are concerning activities of the *training firm* departments: Administrative Law Secretariat Department, Human Resources Department, Marking Department, Supplying Department, Sales Department and Financial Accountancy Department.

6. Findings

6.1. The Romanian Background of Implementing Training Firm

The ECONET project, mentioned above, supposed involving 10 schools in the process of piloting: Economic College „F.S.Nitti” Timișoara, Economic College „Th.Costescu” Drobeta Turnu Severin, Economic College „Ion Ghica” Brăila, Economic College Arad, Economic College „Nicolae Titulescu” Baia Mare, Economic College „Julian Pop” Cluj-Napoca, Economic College „Virgil Madgearu” Iași, Economic College „Transilvania” Tg. Mureș, Economic College „George Barițiu” Sibiu, Economic College „Maria Teiuleanu” Pitești. After a three years period of testing within the project (2001-2004), the result of the project conducted to extending the method to all initial training schools delivering training for SERVICES profile, introducing it into the specific national curriculum starting with 2006-2007 (Ministry Order 3172/2006). For the support of the activities of the *training firm* it was established the platform ROCT Central in 2001-2002 and ROCT Department within National Centre for Technical and Vocational Department since 2008-2009 (Ministry Order 5109/25.08.2008).

The role of ROCT is coordinating the network of the training firms at national level and to simulate the activities of the national bodies with the purpose of maintaining the quality standards (ROCT acts as the Trade Register, as the Territorial Labor Inspectorate, as the Pension Fund, as the Health Insurance Fund and other Social Insurances, as the Bank, as the Agency of Employment, as the Public Finances Administration, also organises and monitors the competitions dedicated to training firm etc.). In the meantime the platform proved to be over loaded by the high number of the training companies, fact that concludes to two aspects, first the success of the method training firm, second the necessity of implementing a new platform for ROCT Central.

Starting with 2008-2009, ROCT is a joined member of the European Practice Enterprises Network – EUROPEN, the organization which represents 7500 *training firms* from 42 countries. The network includes countries which are already members of the network, but also prospective members' countries. Being a member of such network motivated Romanian side to raise the standards and be very active. The ROCT platform keeps the record of 5476 *training firms*, from which 3883 are active and 1027 inactive. Looking at the progress record of *training firm* from 2001-2002 till 2014-2015, it is easy to observe how the numbers of training increased constantly (<http://www.roct.ro/situatie-statistica/>, 11th of September 2016).

Table 1. Romanian *training firms* 2001-2015

Indicators	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Number of existing TF	34	117	327	306	355	651	890	841	970	1017	1022	1160	1305	1376
Commerce	23	66	185	156	177	290	350	315	379	394	385	444	494	436
Tourism	7	16	25	83	90	158	230	251	260	286	264	313	358	393
Production	-	4	3	-	-	-	-	-	-	-	36	68	92	153
Local banks	3	3	-	-	-	-	-	-	-	-	-	-	-	-
Other services	1	28	114	67	88	202	310	275	331	337	339	335	344	394
No. of schools	3	32	58	66	63	128	146	154	197	203	217	240	270	291
No. of spots	3	28	46	47	45	81	98	104	126	128	140	150	166	183

In order to raise the quality standards and create a competitive environment for the *training firms*, it has been organized by ROCT the international Business Plan Competitions and the International Trade Fairs which are ruled only by ROCT and also other locally and regionally trade fairs with the approval of ROCT. In the table below published on ROCT site, it can be observed how the number of participating *training firms* in the trade fairs oscillated in the last 8 year. For example at the local phase in 2013-2014 the number of *training firms* is almost with 50% higher than the year before. A possible reason in our opinion, it represents the opportunity of financing specific activities through European Structural Funds, but still we could observe that there are other oscillations in other periods also, and the reason could be the interest of other initial VET schools for experiencing *training firm* for other domains besides services, proving the success of the method.

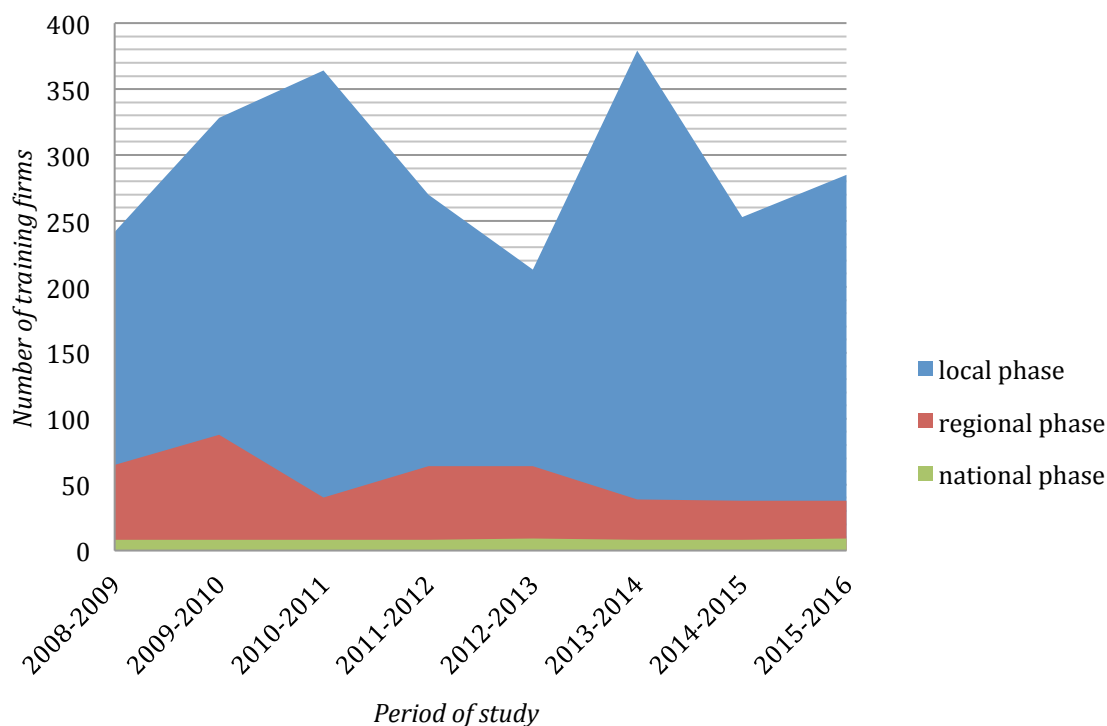


Fig.1 Romanian Business Plan Competitions And Trade Fairs

6.1. How Training Firm Does Support Developing Entrepreneurship

The *training firm* creates the environment in order to involve students in specific activities, to familiarize them with a real company. It gives the opportunity to simulate the economic processes, to get used to specific operations and the real business environment, to improve business language, to develop entrepreneurial skills and proper attitudes necessary for a dynamic business personality like: creativity, critical thinking, problem solving, decision making, responsibility, teamwork, initiative, perseverance, self-organization and self-evaluation of individual resources, flexibility.

The results were expected to be observed after crossing the training-firm experience were increasing the employability of graduates in the labor market, reducing the period of adjustment at work, better adaptability to change jobs, flexibility, taking initiative and risk. Unfortunately we couldn't identify in the educational Romanian system an operable mechanism of monitoring the insertion of the graduates of initial VET on the labor market, thus we could not identify if we have a better absorption for the Services profile than from the other profiles.

6.2. The Content Analyses of the Curriculum Dedicated to Training Firms

The methodology of the content analyses used in our research focused on all qualification training standards provided initial VET for Services profile. The modules covering the curriculum dedicated to *training firm* is completed during the 11th and 12th grade. Those modules (Operational planning, Organization of human resources, Business marketing included in the curriculum of the 11th grade and The competitive environment, Business financing, Business negotiation part of the curriculum of 12th

grade) have a very practical part of it which are developing under the name of technological laboratory. Participating at competitions and other trade fairs is an extra curriculum activity, but one which motivate students a lot, since all the costs of participating at the trade fairs and other competitions are covered by sponsorships obtained by students themselves.

The *training firm* is developing at three levels of complexity (<http://www.roct.ro/firme-de-exercitiu/concept/>, 11th of September 2016):

Mini - *Training firm* - Level I (It is recommended as an incentive training prior to teaching - learning *training firm* activities. This model of organizing *training firm* can be used in the local based curriculum for schools with other profiles than Services or for 9th and 10th grades, Services profile, as a preliminary stage of establishing training). At this level the *training firm* is not related to external environment, it is not registered at the Central Training firms Network/Simulate enterprises in Romania (ROCT), the practiced situations are initiated by teacher, and the teaching-learning process is action oriented, student acts specific roles in all departments of the office and assumes duties performed either individually or in teams.

Training firm - Level II (It applies to new firms – 9th grade direct route, namely 12th grade progressive route, Services profile). This second level supposes existence of an economic and entrepreneurial center (*training firm lab*) with adequate equipment. At this moment the *training firm* is registered at the Central *Training firms* Network / Simulated Enterprise in Romania (ROCT), it establishes a business relationships with firms on the national market *training firms*, it performs all necessary activities within an enterprise to solve current operations, it supposes organizing presentations of *training firm*, it opens a bank account to bank *training firms* within existing settlements to perform ROCT.

Training firm - LEVEL III (It applies to companies with an operational life of over two years and involving successively several generations of students). The *training firm* now makes contact with at least 3 *training firms* abroad, it conducts operations in foreign languages; students are registered as collaborators / employees.

In the national Strategy for Developing VET one of the strategic objectives is dedicated to developing innovation, and national/international cooperation for vocational training, through two strategic goals, increasing the total number of students involved in programs for innovation and entrepreneurship till 2020 to 50,000 students (from 40,000 in 2014) and increasing the total number of students involved in international mobility programs from 4600 to 2020 (from 2,800 in 2014). Focusing on the first strategic objective which is our topic of research, it is considered that the background was already established by implementing national strategic projects which included the training of 600 teachers for implementing teaching learning process and vocational training which will lead to developing entrepreneurial competences for students (for example: training students to establish a *training firm*) and by promoting developing Business plan Competition at local, regional and national.

SWOT analysis (Government Decision 317/2016, p.78) revealed the following weaknesses regarding developing entrepreneurial competences such as: insufficient extension of the learning methods which develop entrepreneurial competences of the trainees and insufficient identification of the students having interest and entrepreneurial affinity, insufficient financial support for organizing competitions of

developing and simulation of business plans and insufficient financial support for organizing and participation at regional, national and international Trades of *training firms*.

7. Conclusions

Our research could identify some more opportunities of improving the *training firm* experience in Romania from analyzing the methodology of *training firms* and the information which are presented to the public on the website: it is not easily to understand the mechanism of the quality assurance of a network which involved in 2014, 1376 *training firms*, more than any other country member of EUROPEAN – PEN international, it is not visible a benchmarking with the international trends regarding *training firm* statistics of transactions, and it is important to make these more visible and relevant for the quality assurance, and not only reporting the number of *training firms*, which can be active or inactive, but to the number of the students fulfilling the modules dedicated to gaining entrepreneurial competences playing active roles in the *training firm*, or even more establishing a mechanism of monitoring the insertion of the students on the labor market or of those students starting a business after graduating.

Even if the *training firm* infrastructure needs improvements, the method is a success, since more and more students from different other VET schools and even those that have chosen theoretical pathway, are interested to establish a *training firm*.

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