

Feedback Review

1. Background

See Annex 1 (Background information)

2. Description of the main issues of the visit

The study visit of the project OWL in Siegen took place from 4th of November 2009 (14:00) until 6th of November 2009 (16:00).

In the center of the first day of the study visit was an introduction into the regional profile and demographic change in the region of Siegen-Wittgenstein and the German VET- and education system in general. In addition, a short input and debate between the employers association and the trade union took place to discuss the question if collective agreements with regulations for training and qualification can be an answer to cope with the consequences of the demographic change. Especially the point was discussed if agreements and regulations can help to increase the implementation of training activities within companies or if a “free” engagement and self-regulation is the better way for the improvement of workers in participation of training and life long learning.

The focus of the second day was laid on the point of view on the companies and employers with two visits in enterprises (one small production plant and a bigger hospital). In addition the participants had the possibility to learn about the motivation and interests of older people in training and qualification through a visit of a training course for long-term unemployed elderly people (45 +). The participants got a very practical view on what is implemented in companies and how workers are using training offers and what can be achieved.

The study visit finished on the last day with a presentation and discussion round about the problems, the perspective and strategy of a big training company with a very high average age of their staff. In addition, further project examples in Germany (e. g. the initiatives of INQA) were presented in order to give to the participants more detailed knowledge about the initiatives of work based learning for older employees in SMEs. The study visit finished with time for reflection and discussion and the concrete feedback and peer review of the participants to the German examples.

3. Summary of the feedback

Question no 1:

Which conditions are necessary in SMEs? Which arrangements are being made to increase the participation of employees in life-long-learning-activities?

The participants mentioned different aspects which can be clustered as follows:

- Detailed needs-analyses and need-oriented training concepts: The participants mentioned especially the need for detailed needs analyses in the companies. This may be needs for change in general (corporate strategy, organizational development, etc) or needs for concrete qualifications. On this basis SMEs could decide about their specific motivation systems for their employees and what kind of different or specific lifelong learning activities they can choose to satisfy their specific learning needs. But in this process SMEs need to be supported: they need to be supported in recognizing future problems and recognizing their need for adapting their organisation and their qualification pools.
- Framework and conditions for training activities and life long learning: In order to convince *employers* it is also necessary to show them the benefits from those who already participated in life long learning and improved their competences. Crucial factors for employers are often the money, the worries about the future, to keep alive on the market place, especially in SMEs. If there are public funded programs, like it is in some cases in Germany, there is more engagement and employers can see a result. The participants resumed that in this process there should be involved every person in the company who is concerned: Managers, workers and leaders. As promoting conditions for *employees* the participants mentioned, e.g. to take part in courses during working time (“learning time as working time”), at the work place (work-based learning concepts) instead of classroom-training. In addition other incentives would encourage more learning, like the recognition of new competences, e. g. through higher salary after training, or in the long run to have more job security and employability, etc.
- Joint activities of all stakeholders: In general there was a pledoyer for joint activities, for “acting together” and collaborative approaches, like the collective agreements in the German metal sector: to develop partnerships between all stakeholders, and respect their different attitudes. Especially the collaboration between employers, employees, public administration, trade unions and employers association can be an answer to promote life long learning. Each can contribute in its specific manner: Employers and their associations can promote good conditions, e. g. with regard to health and safety, working and learning times, new quality and organisation of work. The workers and trade unions can develop the culture for the “knowledge society” and to be ready and motivated for “life long learning”, also in growing age. The public administrations can offer appropriate programs in times of unemployment to encourage and motivate for life long learning.
- Changing mentalities: For all above mentioned aspects the most important condition seems to be the change of mentalities, the cultural change, of all stakeholders. Therefore the benefits and advantages of life long learning need to be more visible and evident

for each of the groups (especially with regard to the long-term benefits), so that each group increases more their engagement and efforts. Especially SMEs need to think more on the long-term development and to creativity, which helps them to solve their problems - even or especially in times of crisis.

Question no 2:

Stakeholders, training institutions, other actors: How can they support workbased-learning in SMEs? Which concepts or approaches in your view are worth for multiplication?

-Teaching methods:

Most of the participants of the study visit mentioned that new teaching methods could be the key to support workbased-learning in SMEs.

Such as:

- collaboration and good communication between teams, employers, employees and other stakeholders,
- recognition of competences and start with the learning and training from there
- experiential learning and
- learning with the trainer as facilitator.
- new pedagogic, constructivist approaches instead of traditional didactic
- use of technology, ICT, multimedia, work-based resources which engage learning differently.

It could also help if SMEs and also the workers can work together with training institutions in order to develop teaching methods. There is more engagement, more quality, more involvement and also acceptance of the methods.

- Focus on the employees and their key competences

The teaching or the training should include key qualifications which are needed in every job such as communications skills, IT-skills etc. and should start from the individual state-of-the-art, that means their existing experience and competences. The focus should be turned more on the individuals, the workers themselves, e. g. to create introduction programs, to build mixed generation teams, etc. to promote with these concepts the personnel development.

- Need-orientation and usability

As mentioned above the training needs to be more addressed on the needs of the companies and their specific problems. The benefit and usability must be obvious. In this way the role of the trainers will change to a “facilitator to solutions”.

Also for the employees the usability is necessary: important is again the recognition of competences after training. This is often the case in Germany, because of the experiences with the dual system (the employers are used to recognize and value the competences). A good combination between working and learning – like in the dual system - can help to integrate life-long-learning concepts in SMEs.

Special help is needed for SMEs as they often don't have the resources (time, money, knowledge) to undertake detailed needs analysis in comparison to big companies.

Training institutions get a different role in this concept: They need to help to analyze the qualification needs and promote a closer collaboration between the companies and themselves. Additional aspects are money and funding for SMEs and also a platform for exchange about LLL and work based learning.

- Joint activities and “holistic approaches”

The answers of the participants showed that they think that German training institutions follow a more “holistic approach”, because the training institutions deal more with the challenges of the companies as a whole. In general, the employees develop very practical knowledge at their workplaces. On this basis, detailed needs analyses are necessary in order to find out if this practical knowledge is enough to support the production and service delivery of the companies. This should be the tasks of the training institutions. They need to evaluate and undertake their needs analyses more “holistic” and find out if the production strategy of the company is the right one, if the companies and the workers have the theoretical and practical knowledge for optimization, etc. In Germany, it seems that the training institutions are more on this way as they work more closely together with the companies.

Annex 1

Background

1. Situation and participation of employees in training

A characteristic feature of the level of education of the German population is a high proportion of upper secondary level qualifications. One reason for this is the longstanding tradition of the dual system of vocational training (for more information see below). In 2005, Germany was again well above the EU average in respect of upper secondary level qualifications, with 60 %. In terms of higher education, Germany is only in the middle of the range compared with the EU as a whole, although here too account must be taken of the fact that many skills are imparted in the dual system.

The overall economic trend, particularly the labour market situation, also affects enterprises' participation in training as a place of learning within the dual system. Overall, just under 25 % of enterprises are currently providing training. However, the distribution of trainees by enterprise size categories shows that small and medium-sized enterprises (SMEs, with up to 499 employees) offer the lion's share of training places.

In Germany, continuing vocational education/training is characterised by receptiveness, flexibility and ongoing changes. The state has only a minor regulatory and creative function in this area. In 2002, 68 % of participants in continuing vocational education took part only in in-company programmes, just under one fifth took part only in non-company continuing education, and the remaining 13 % utilised both options. In this context, in-company continuing education means programmes that take place in the enterprise or on the job, with more than half the programme taking place within enterprise working hours or at least half of it being financed by the enterprise.

2. Work Based Learning and Lifelong Learning in the German Education System

In Germany, work based learning plays a prominent role in the vocational education and training (VET). Its most well-known form is vocational training within the "dual system", where education and training takes place in co-operation between school and company (apprenticeship programmes).

Dual System (apprenticeship programmes)

Apprenticeship programmes are probably strongest in the German speaking countries. In Germany some two thirds of all young people embark on apprenticeship training. In Germany occupations prepared for by apprenticeship cover all economic sectors i.e. in craft, industry and trade, liberal professions, and services. Apprenticeship in the German-speaking dual-system countries is structured by the concept of „Beruf" (professional occupation) and apprenticeship training can only be provided in a recognized occupation. The Beruf or professional occupation is defined by a coherent set of skills that combine together to form both an occupational and a social identity. A major threat to the future of the apprenticeship programmes - and one that is not limited to the German speaking countries - is a lack of training places. Moral responsibility to provide training opportunities is no longer sufficient motivation for employers who are concerned at the

cost of training. Of course one answer could be large state subsidies but this seems hardly realistic.

Responsibility of qualification and training

The Länder are fundamentally responsible for education and culture ('cultural sovereignty' of the Länder). Consequently, in some cases there are marked differences between the school systems of the individual Länder. To ensure a minimum level of common features and comparability despite this, the Standing Conference of Ministers for Education and Cultural Affairs (KMK) of the Länder was established, and meets several times a year.

In the field of VET, the Federal Government is responsible for in-company vocational training, while the Länder are responsible for vocational training in schools, and hence also for vocational schools.

Due to the federal structure of Germany, there is a big gap between vocational education and training system and higher education. Regarding lifelong learning, one finds it very difficult to move on from formal vocational training to higher education without starting from the beginning.

It is up to the individual to get recognition for his/her professional knowledge and competences gained prior to higher education. Although there is some regulation on this, the procedure for acknowledging prior work based learning is left to the single institution of higher education to accept learning outcomes. This leads to a low number of students with recognition of prior work based learning.

3. Financing and public programmes on continuing vocational training

Enterprises, the state, the Federal Agency for Employment and private individuals themselves are involved in financing continuing vocational training:

- Enterprises bear the overwhelming majority of the costs of in-company continuing training measures for their employees. However, the results of a research project on the costs and benefits of continuing vocational training for individuals show that enterprises are increasingly expecting their employees also to undertake continuing training outside the enterprise of their own accord, at their own expense and in their free time, to safeguard their employability. With regard to the individual costs of continuing vocational training (both within and outside the enterprise), the project found that the average amount in 2002 was 502 euro per participant.
- Federation, *Länder* and local authorities make funding available from their budgets primarily for continuing training of public sector employees.

Public training programmes for unemployed people and for people at risk of unemployment:

The Federal Agency for Employment (BA) supports continuing training measures for the unemployed and for people at risk of unemployment. The BA's budget is made up of employers' and employees' unemployment insurance contributions, grants from the Federal budget and other income. In addition, there are various state-subsidised continuing training programmes, e.g. Meister-BAföG: since 2002, the Support for Further Training for Advancement Act (AFBG, known as Meister-BaföG), jointly financed by the Federation and the *Länder*, has given craftsmen

and other skilled workers a statutory individual entitlement to financial assistance with further training for advancement.

The *Sozialgesetzbuch* (SGB III) was amended on 1 January 2003 by the First Law on modern services on the labour market, which has led to changes in public funding of continuing education/training. Since then, funding has been linked to the issuing of an education credit voucher (*Bildungsgutschein*). This can be issued by employment agencies to the **unemployed or persons at risk of unemployment** for subsidised continuing vocational training when the need for this has been confirmed in a comprehensive advisory discussion. The education credit voucher shows, among other things, the training objective, the period needed to achieve it, the scope of regional validity, and the duration of validity (three months maximum). The credit voucher can be redeemed by the participant with a body of his choice authorised to finance continuing training. It is a precondition for recognition of continuing training bodies that they have been certified and accredited by 'informed' bodies. To this end, on 1 July 2004 a procedure was established, in the Directive on recognition and licensing of continuing training (AZWV), under which providers must comply with a series of statutory provisions.

In order to improve the qualifications of **older workers**, in 2006 the Federal Agency for Employment launched a new programme in which greater use is to be made of the funding instruments in the *Sozialgesetzbuch* (SGB III) for low-skilled and older workers. It is the so-called programme "WeGeBau":

The programme WeGeBau

Undoubtedly, the training of male and female workers in employment is primary in the responsibility of the company and employees themselves. But the opportunities and risks in the labour market are decisively determined by the qualification. Low-skilled and older workers bearing by far the largest labour market risk, their participation in training is still low.

Executive Board and Board of Directors of the Federal Employment Agency (BA) have provided support for the skill learning of low-skilled and older workers in the framework of a special program since 2006, additional funding in the budget for labour market measures: WeGebAU. The program will be continued in 2009.

The focus of the program is on workers who are low-skilled, or of minimum 45 years of age. The promotion will be a start-up funding for training, particularly in small and medium-sized enterprises. It can be facilitated in persons who are released from their employers for the duration of a qualification while continuing to receive pay. By the regional agencies, the training costs are covered, under certain conditions a wage subsidy can be granted for the employer.

Under *the federal economy stimulus package* (to support the German economy because of the crisis), the programme has been extended also to qualified employees.

For this purpose the following criteria must be met:

- The acquisition of the (last) degree of the worker and the last publicly-supported training were at least 4 years ago.
- The employee shall be relieved of work for participation in the training (no exemption for economic reasons to avoid) of short-time working (reduction of working hours and reception of a wage stock-up from the job agency) and continues to be entitled to pay.

- The training will take place during normal working hours.
- Both the training providers as well as the measure needs to be approved by Directive on recognition and licensing of continuing training (AZWV)
- The training increases the competency of the employee for the general labour market.

The worker may be required to reimburse the course cost. In addition, a grant for the rest of the necessary training costs will be given (e.g. travel expenses may be granted).

The male and female workers receive an educational voucher (“Bildungsgutschein”). So that they can choose themselves approved continuing education themes and training centres.

Promotion of the employability of older workers via qualification is also at the centre of two Federal Government initiatives, *Perspektive 50Plus* [50+ perspective] and the *Initiative Neue Qualität der Arbeit* (INQA) [New Work Quality Initiative].

In addition, the Federal State has launched **regional initiatives** to promote the reintegration and reemployment of older long term unemployed people. Regions could apply at the Federal Government to initiate programmes in their regions where all stakeholder collaborate together for the reintegration of the long-term unemployed older people (the so called “**Employment pact** for older long term unemployed people” – *Beschäftigungspakt für ältere Langzeitarbeitslose*).

5. Social Agreements on Continuing Vocational Training

Companies are responsible for continuing vocational training. But the the companies' activity in continuing vocational training decreases as company size decreases (SME hardly provide continuing training). Continuing vocational training continues social imbalance: The participation rate goes up in parallel with income, position and formal qualification. Therefore, social partners and public administration want to promote education activities

Only just under 30% of all companies have formal collective bargaining agreements concerning continuing education and training. Only very few branches and only a small number of pilot projects so far try to regulate continuing education and training in collective bargaining agreements (e. g. the metalworking and electronics industry in Northrhine-Westfalia). But the problem is that these agreements is in most cases not realized in the practice, on company level.

Forms of collective bargaining agreements are, e. g.

- allocation funds, where a special amount of money can be spend per employee, per year for continuing training measures
- mandatory annual qualification talks (e. g. in the metal industry in Northrhine-Westfalia)
- Slight incentives for measures for employees with low qualification