Manufacturing, Innovation, and Workforce Training: What Works in Germany and the United States for Jobs and Growth

Vocational Education and Training in Germany

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Agenda

- Dual system
- Effects of the dual system
- The BIBB and current challenges in VET
Germany‘s dual system – an export hit

- German model of successful combination of theory and practice of great interest in the United States

- German companies in the US needed skilled workers and decided to train according to the dual system to meet their needs (examples: Volkswagen, Siemens, Bosch, Stihl)

- Cooperations between companies and colleges which serve as “Berufsschule” (part-time vocational schools)

- Dual training as alternative to university
The German dual system of IVET

Two venues for learning

- In the company
- At part-time vocational school
An overview of the dual system

- Shared responsibility between the state and industry
- Training venues comprise companies and schools
- Approximately 350 state recognized training occupations, of which 189 have been updated and 64 have been newly developed since 1996
- 1.5 million trainees, 40% of whom are female
- 55% of the young people of a year group start a training within the dual system
- Approximately 469,000 companies provide training (about 22.5%)
Advantages of the dual system

- Training is based on actual needs of the companies
- Innovations can be rapidly implemented in cooperation with the companies and be integrated into training
- Effective combination of theory and practice
- Expert knowledge of all parties is paid due regard and collated
- A system tried and tested for over 800 years where development is always ongoing
- A successful system enjoying worldwide demand (currently from 35 countries)
“Unique selling points” of the dual system

1. Cooperation of government and industry
2. Learning within the work process
3. Acceptance of national standards
4. Qualified vocational education and training staff
5. Institutionalised research and career guidance
### Training benefits from the perspective of the companies

#### Proportion of those agreeing

<table>
<thead>
<tr>
<th>Statement</th>
<th>Fully agree / tend to agree</th>
<th>Agree partly</th>
<th>Tend to disagree / fully disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The best way of inducting employees into the company structure</td>
<td>75%</td>
<td>16%</td>
<td>9%</td>
</tr>
<tr>
<td>Increases the value of the company</td>
<td>72%</td>
<td>19%</td>
<td>9%</td>
</tr>
<tr>
<td>Is a major factor in promoting identification with the company</td>
<td>68%</td>
<td>21%</td>
<td>11%</td>
</tr>
<tr>
<td>Positive public image for the company</td>
<td>66%</td>
<td>23%</td>
<td>11%</td>
</tr>
<tr>
<td>A major contributor to future ability of the company to remain competitive</td>
<td>64%</td>
<td>23%</td>
<td>13%</td>
</tr>
</tbody>
</table>

*Prof. Dr. Friedrich Hubert Esser*
Financing of Vocational Education and Training

Figures for the year 2010/ 31.6 billion EUR (in total)

- Companies 23.8 billion EUR
- Federal Employment Agency 4.7 billion EUR
- Federal States (vocational schools) 3.1 billion EUR

State

Prof. Dr. Friedrich Hubert Esser
is the national and international center of competence for initial and continuing vocational education and training in Germany,

and contributes to the improvement of vocational education and training by means of research, advisory services and development.
The Board

... provides a cross-section of expertise on all issues relevant to vocational education and training (VET) in Germany, and acts as the statutory advisory body for the Federal Government.

Employers, employees, the Federal States (Länder) and the Federal Government are representatives of the Board.

Hence, it is also known as the “parliament of vocational education”.
Areas of responsibility and tasks of BIBB

- Development and modernisation of initial and advanced training occupations
- Identification of future qualification requirements by early recognition of these
- Investigation of the structural developments on the training places market and within continuing training
- Support of in-company training practice via modern training documentation and media
- Promotion of modern vocational training centres to supplement in-company initial and continuing vocational education and training
- Drawing up concepts for the qualification of in company training staff
- International research and VET cooperation
Current challenges in VET and Germany’s answer to them

- Demographic change and shortage of skilled workers
- Permeability between general education and VET as well as between VET and higher education
- Internationalization/Europeanization of VET
Internationalization of VET


- Copenhagen Process/Bruges Communiqué (2010): increase the quality of vocational training in Europe by making it more accessible and relevant to the needs of the labour market.

- Europe 2020: the EU's growth strategy for the coming decade. The aim is to deliver high levels of employment, productivity and social cohesion.

- New benchmarks are set for trade and industry, for society and, of course, also for vocational education and training.
Thank you for your attention!

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