

PROMOTING SOCIAL PARTNERSHIP IN EMPLOYEE TRAINING

GERMANY COUNTRY REPORT



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Abstract

Initial dual and upgrading vocational training in Germany is based on the consensus principle. The social partners are satisfied with the bipartite and tripartite dialogue. Based on the principle that the need of qualification is known best in the companies and their associations, subsidiarity plays an important role in employee training.

- **Anticipation and identification of skills needs:** Skills needs are identified in the companies and in an ideal case should lead to a human resource development strategy. Social partners pick up overall trends and overarching themes to give recommendations on educational policy. They are involved in the Federal Institute of Vocational Training and in the Federal Employment Agency.
- **Mobilising resources:** Collective agreements on qualification play an important role in Germany. Their focus is to spell out regulations which oblige the employer to analyse the qualification needs, to consult the works councils and to use measures to fulfil these needs. To help companies implement collective agreements and to support SME, the social partners' umbrella organisations are involved in the ESF-programme to improve CVET by supporting social partners activities at sectoral or enterprise level. The social partners disagree if the available resources for CVET are adequate especially for low skilled persons.
- **Information, support and guidance:** The training market offers a very wide range of training opportunities of numerous providers. However, the social partners do not see need for big reforms because the public and private guidance structure is rated as manifold and the companies get support by their associations. SME need support in guidance and human resource development.
- **Contribution to quality, transparency and efficiency:** A lot of quality seals exist. To provide training measures whose participants are eligible for public support the provider needs to attend a quality seal which is defined by the Federal Employment Agency. The social partners disagree if more standardisation concerning quality seals is necessary. SME rely often on the supply of their associations and chambers of skilled crafts because their quality is known.
- **Recognition and validation of competences and qualifications:** The social partners are engaged in developing standardised procedures and in pilot projects on testing procedures. However, it is still unclear how non-formal and informal competences are to be valued relative to professional degrees.
- **Provision of learning:** The training market works well because the providers react flexibly on changing demands. If necessary, companies invent own training measures which are open to external persons. The social partners provide training via own providers and are in the board of training providers.

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1 Introduction

Germany is a federal state with 16 States, the *Bundesländer*. Initial dual and upgrading vocational training in Germany is based on the consensus principle. Whenever major decisions on structure and substance have to be taken, such decisions are reached in a joint effort by Federation and *Bundesländer*, employers and employees (KMK, 2016). Focussing on employee training, the social partners follow a bottom-up approach because the companies know the need of qualification best.

2 Facts and figures on employee training

To get a first grasp on the incidence of employee training, the following chapter looks at participation in employee training from the individual and the company perspective and also addresses influential factors that may prevent both actors from taking part in further training. Note that for the sake of inter-country comparability we rely on data from the Adult Education Survey (AES) from 2007 and 2011 as well as the Continuing Vocational Training Survey (CVTS) from 2005 and 2010. For both datasets, we thus focus on the latest available information. Additional information highlighting more recent developments will be added where appropriate.

2.1 Participation in employee training

The Adult Education Survey (AES) informs about adult learning. Learning activities are divided into formal education, non-formal education and informal education. Formal education and training is defined as education provided by the system of schools, colleges, universities and other formal educational institutions that normally constitutes a continuous 'ladder' of full-time education. Non-formal education and training is defined as any organised and sustained learning activities that do not correspond exactly to the above definition of formal education. Non-formal education may therefore take place both within and outside educational institutions (courses, workshops or seminars, guided-on-the-job training – such as planned periods of education, instruction or training directly at the workplace, organised by the employer with the aid of an instructor – and lessons). Informal learning is defined as intentional learning which is less organised and less structured than the previous types. The participation rate in education and training covers participation in both formal and non-formal education and training. Employer-sponsored learning activities are defined as all activities paid at least partially by the employer and/or done during paid working hours.

The employed persons' participation rate in job-related non-formal education and training in Germany lies considerably above EU average. This holds for both 2007 and 2011 even though there was only a slight increase in Germany during this period (by about 3 percentage points) while the EU-wide rates experienced a stronger surge (by 7 percentage points). As for other European countries, non-employer-sponsored training does only play a minor role in Germany. Contrary to the EU average, women are somewhat less likely to participate than men. Younger people are more likely to participate than the elderly, but the gap between these two groups declined from 13 to 6 percentage points between 2007 and 2011 and is now close to the EU average. Individuals with higher education (ISCED 5-6) are more than twice as likely to participate in job-related non-formal education and training than those with lower educational attainment levels in 2007 (ISCED 0-2). There has been a considerable development since 2007, where higher educated people were more than three times as likely to participate as the lower educated, but still the gap is greater than on EU average.

Table 2-1: Employed persons' participation rate in job-related non-formal education and training

In percent

	2007			2011		
	All	Employer-sponsored	Non employer-sponsored (u)	All	Employer-sponsored	Non employer-sponsored (u)
All	48.1	43.6	4.5	50.9	47.7	3.2
Men	49.8	45.7	4.1	51.7	48.9	2.8
Women	46.0	40.9	5.1	50.0	46.2	3.8
Age groups						
25-34	50.1	44.8	5.3 ^u	53.4	49.4	3.9 ^u
55-64	37.4	34.6	2.8 ^u	47.5	44.7	2.8 ^u
Educational attainment level ¹⁾						
ED 0-2	19.7	16.3	3.4 ^u	27.4	25.4	: ^u
ED 3-4	43.5	39.4	4.1	45.1	42.2	2.9
ED 5-6	63.8	58.4	5.4	67.3	63.2	4.1

Source: AES 2007, 2011; special evaluation of Eurostat

¹⁾ ISCED97

^u low reliability, : not available

The Continuing Vocational Training Survey (CVTS) informs about enterprise activities. CVET is divided into courses and other forms of learning. CVET courses are usually separated from the active workplace (learning takes place in locations specially assigned for learning, like a class room or training centre). They show a high degree of organisation (time, space and content) by a trainer or a training institution. Other forms of CVET are typically connected to the active work and the active workplace, but they can also include participation (instruction) in conferences, trade fairs, etc. for the purpose of learning. The following types of other forms of CVET are identified: planned training through guided-on-the-job training; through job rotation, exchanges, secondments or study visits; through participation (instruction received) in conferences, workshops, trade fairs and lectures; through participation in learning or quality circles; and through self-directed learning/e-learning.

German companies' participation rates are above the EU average for all size classes. Other than for most EU members, companies provide courses less often than other forms of CVET, even though the courses' share increased clearly between 2007 and 2011. There is a positive correlation between a company's size class and its likelihood to participate in CVET: while more than 9 out of 10 big companies offer such training, this is only the case for a little more than half of the small enterprises.

Table 2-2: Companies' participation rate
in percent

	2005			2010		
	All forms of CVET	Courses	Other forms of learning	All forms of CVET	Courses	Other forms of learning
Average	69	54	66	73	61	66
Small	65	50	62	69	56	63
Medium	81	65	78	82	73	74
Big	87	78	83	96	92	89

Source: CVTS 2005, 2010

2.2 Motives and barriers for employee training

When asked for the main obstacles for participation in (more) training, three quarters of the individuals stated no need for (further) education and training. "Family responsibilities" and "Conflict with work schedule / training organised at inconvenient time" were named from somewhat more than 20 percent each. These are also the main barriers on EU average (50 / 21 / 18 percent). The share of individuals seeing no need for (further) education and training is considerably higher than on EU average, while the other two shares are quite close to the average. 80 percent of the non-training companies state that they do not offer employee training because the existing skills and competences of the persons employed corresponded to the current needs of the enterprise. Other important barriers for employee training are a lack of time and recruitment of people with the skills needed (about 40 percent each). Again these are also the main barriers on EU average and the shares are fairly close here, too (77 / 32 / 49 percent).

Table 2-3: Main barriers for employee training
in percent

Individuals	2011	Companies (non-training)	2010
No need for (further) education and training	76	The existing skills and competences of the persons employed corresponded to the current needs of the enterprise	80
Family responsibilities	23	No time	40
Conflict with work schedule or training organised at inconvenient time	21	People recruited with the skills needed	37

Source: AES 2011, CVTS 2010, multiple answers possible for companies

3 Legal framework and institutional setting

3.1 Embedment of CVET in general education system

After completing general school, young people can choose between a university track and a vocational track. There are mainly two initial VET programmes: a dual VET which combines in-company and school-based learning and is chosen by 85 percent of the young VET starters and a completely school-based programme (BQ-Portal, 2017; EU-Monitor, 2016). Both tracks end with a formal degree. CVET is seen as the fourth column of the educational system. Two forms of further education and training exist in Germany. There is a formal track of further training (upgrading training – *Aufstiegsfortbildung*) for people who successfully completed a dual or school-based vocational education. In addition, recently formal further education at universities has gained importance. This formal further education comprises only a small part of employee training. Most of employee training is done in a non-formal or informal manner.

Federation, *Länder* and social partners – as well as a representative of the municipal associations, of the Federal Employment Agency (*Bundesagentur für Arbeit*) and of the Research Council acting as advisors – are members of the Federal Institute for Vocational Training's board (*Bundesinstitut für Berufsbildung – BIBB*). The scientific advisory committee is intended to promote the quality of the institute's research work by advising the board and the management of the Federal Institute for Vocational Training (KMK, 2017). The institute's responsibilities concerning CVET comprise i.a. carrying out vocational training research under a pre-defined research programme, taking part in the drafting of training regulations (*Aus- und Fortbildungsordnungen*) and other ordinances, and taking part in the preparation of the Report on Vocational Education and Training (*Berufsbildungsbericht*). This report is discussed in the parliament and can strengthen the role of CVET in policy and public discussions.

3.2 Regulatory level of CVET

There are different levels on which employee training is regulated. National laws which contain general regulations of CVET are the following:

- Formal initial and further vocational education and training is regulated by the Vocational Training Act (*Berufsbildungsgesetz*) and the Crafts Code (*Handwerksordnung*). The requirements to training regulations (*Ausbildungsordnungen, Fortbildungsordnungen*) are defined in these laws and are concretised in a consensus between government and social partners.
- The Social Security Code III (*Sozialgesetzbuch III*) defines the conditions under which CVET is (co-)financed by the Federal Employment Agency (*Bundesagentur für Arbeit*). Further vocational training is defined as schemes to assess, maintain, extend or adapt the vocational knowledge and skills of adults who have a vocational qualification or appropriate work experience. Target groups are employees and unemployed. Additionally, retraining that leads to a qualification in a recognised profession requiring formal training can be supported for unemployed without vocational qualifications (KMK, 2017). The social partners are involved in the governing board of the Federal Employment Agency.
- The Distance Learning Protection Act (*Fernunterrichtsschutzgesetz*)
- The Framework Act for Higher Education (*Hochschulrahmengesetz*) regulates formal CVET at universities.

Laws and regulations which are relevant for social partners' activities in employee training are the following:

- The Industrial Constitution Act (*Betriebsverfassungsgesetz*) gives a frame for the industrial relations between employers and employees. Here the participation possibility of the works councils concerning employee training are formulated.
- The Law on Collective Agreements (*Tarifvertragsgesetz*) gives a frame for collective bargaining.

In Germany the enterprise level is seen as a very relevant level in which employee training can best be regulated. Therefore, collective agreements and company agreements have great importance.

Collective agreements:

Collective agreements regulate the rights and obligations of the social partners and they are obligatory for all members. Main topics are the identification of company specific and individual qualification needs as well as guidance in employee training (Bahnmüller, 2015). In the last years there was a rising number of collective agreements dealing with issues of employee training.

Company agreements / works agreements (*Betriebsvereinbarungen*):

A company agreement is a treaty between the employer and the works council which contains rights and obligations for all employees in the company. Contents of company agreements are the individual qualification of certain employees, the obligation to train as a means of quality assurance, and a right to qualification and procedures for planning, organising and implementing training measures (Moraal et al., 2015).

3.3 Public financing/funds and tax incentives

In Germany no actual overview of expenditures on employee training exists. There is a mixture of private investments of companies and individuals as well as public support.

The Federal Training Assistance Act (*Bundesausbildungsförderungsgesetz – BaföG*) and the Upgrading Training Assistance Act (*Gesetz zur Förderung der beruflichen Aufstiegsfortbildung – AFBG „Meister-BAFöG“*) regulate financial support for students enrolled in initial or upgrading vocational training.

The Social Security Code III (*Sozialgesetzbuch III*) defines the conditions under which CVET is (co-)financed by the Federal Employment Agency. The BA offers financial support for individuals as well as for companies (i.e. via *WeGebAU*, a programme for low-skilled and older employees in SMEs).

The Federal Government supports CVET through a training bonus (*Bildungsprämie*) which consist of two components, a means tested continuing training voucher (*Prämiengutschein*) and a continuing training savings plan (*Weiterbildungssparen*).

The Vocational Training Promotion for Gifted Young People (*Aufstiegsstipendium*) provides grants to support continuing education measures for highly talented young people with a vocational degree to do an upgrading training or to study.

Individuals are eligible for tax deductions of their training costs. Companies are allowed to deduct training costs from taxable income.

3.4 Regulations on training leave

Regulation on training leave can be laid down in collective agreements and company agreements. In addition, 14 out of 16 *Bundesländer* have implemented legislation on paid education leave (*Bildungsfreistellungsgesetz*) which gives all employees the right for paid leave for usually 5 days per year.

3.5 Training providers

The number of training providers in Germany is unclear. CVET is offered by municipal institutions, private institutions, trade unions, chambers of industry and commerce, chambers of skilled crafts, political parties, companies and public authorities, academies, technical colleges, institutions of higher learning and distance learning institutes (KMK, 2017). The largest part of employee training takes place in an unregulated market and follows the logic of supply and demand (Lee, 2015).

4 The role of the social partners

The following chapters mainly contain information and assessments of the interview partners. The *Bundesvereinigung Deutscher Arbeitgeberverbände (BDA)* is an umbrella organisation of employers' associations. Its main aim is to represent the interests of enterprises in the field of social policy. The *Zentralverband des Deutschen Handwerks (ZDH)* is the umbrella association of skilled crafts associations and represents the interests of craft companies. The *Deutscher Gewerkschaftsbund (DGB)* is the umbrella organisation of eight trade unions and represents the interests of employees.

4.1 Anticipation and identification of skills needs

The interviews show that the social partners follow a bottom-up way in identifying the qualification needs because the need is known best in the companies. In a dialogue between companies and their employers' organisations as well as with their trade unions, overarching themes can be identified. These overarching themes are discussed in the organisations (employers' organisations and trade unions and their member organisations) and can lead to recommendations in educational policy on different levels (companies, chambers, national policy).

To identify the qualification need at company level, the social partners and works councils agree that a human resource development structure is helpful. This structure defines the job profiles and the required competences and compares it to the employees' qualifications. If there are differences, further training is necessary.

Best practice – A systematic human resource development strategy at sepago

Sepago, a company in IT-Consulting with 64 employees, follows a systematic approach in human resource development. The management identified the competences a consultant needs for his job on different career steps. This comprises technological skills, social skills, skills in project management and communication. For every module sepago offers training measures. In semi-annual appraisal interviews the adequate individual measures are identified with which the employee can reach the next career step. The training measures take place on Fridays and Saturdays so that the employees invest leisure time in their qualification. The employer shoulders the working time on Friday and the direct training costs and assures for good quality. Training measures are adapted to the specific needs of the firm and are continuously adapted along with the dynamic changes of the job tasks. This systematic approach to human resource development also allows recruiting new employees without specialisation in times where specialised employees are scarce. In a “trainee plan” new employees can attend training modules to acquire specialised competences for their job in an autonomous manner. In addition, the consultants receive regular mandatory training in seminars conducted by software producers to attend certificates which are necessary to remain competitive.

All training measures are nested in a learning culture. The employer sets a frame in which employees can develop and decide autonomously how and what to learn. Every two months one day is reserved for informal learning and knowledge transfer between the employees. When necessary, specific information on new tools and programmes are exchanged in so called competence centres. The service departments are regularly in an exchange of experience to work self-organised and to ameliorate processes.

The *ZDH* describes three levels of answering to changing skills needs: On the first level the companies react to their qualification need by using established training measures. In a next step the chambers of skilled crafts are concerned with the modalities of examination, if there is a need for a formal upgrading training. In a third step in cooperation with the government and the social partners new training regulations are made. The social partners’ role is seen as that of a coordinator and counsellor.

The employers’ and employees’ associations also award contracts to research institutes to do research on qualification needs (e.g., the *DGB*-Institute with the project “Good Work” (*Gute Arbeit*), or the Research Institute for Vocational Education at the University of Cologne).

To react on changing qualification needs, the social partners are involved in the Federal Institute for Vocational Training and in the governing board of the Federal Employment Agency, where new training measures and the conditions of support of training are discussed. This involvement is rated as good by the social partners.

4.2 Mobilising resources

The *BDA* sees a big importance of collective agreements which have an overarching acceptance and a big influence on employee training. Collective agreements exist mostly on sectoral level. The results are rated as good because they are a compromise between the social partners. The sectoral level assures that the specific needs are captured. For the *ZDH*, collective agreements play a minor role because its member companies are small. The small firm size is one reason why the companies do not want a right to paid leave, i.e. that the employees have a right to do training during paid working time.

The employers' side rates the available resources for employee training as adequate. However, the question who should pay for it remains important. From the point of view of the employers, the employees should shoulder a part of the costs, i.e. in form of using their leisure time for training, because they profit from training, too. The system of financing education is an issue in the political discussion. The *ZDH* rates the improvements of the upgrading training assistance (*Meister-BAföG*) as good in the sense of educational equity. The continuing digitalisation of the economy will increase the need of investments, because professional training schools still lack the necessary equipment.

The *DGB* rates the collective agreements on qualification as good, but they must be filled with life (see box). In addition, the trade unions want a clear infrastructure for CVET and a regulation on financing CVET on a superordinate level to ensure financing of lifelong learning, i.e. via an extension of the training assistance (*BAföG*) as recommended by the Commission on Financing Lifelong Learning. The existing resources are seen as inadequate. The right to paid leave exists, but it needs to be enforced at the enterprise level (*Bildungsfreistellungsgesetz*). The aim of the *DGB* is that all employees have access to employee training – not only (highly) skilled employees. Low skilled employees need more support. Therefore, a financial regulation is needed in further training as it exists in initial vocational education.

Challenge: Implementation of collective agreements

Social partners appreciate collective agreements on qualification, but the implementation and concretisation of these agreements must be done in the companies. Therefore, the social partnership and the involvement of works councils at the enterprise level is important. The implementation requires a human resource development strategy which needs endurance and patience to be built (Lenssen, 2015). The works councils would appreciate support by the trade unions in proposing general guidelines for human resource development structures which can be adapted to the specific company. The focus of collective agreements on qualification does not lie on issues of time or money. In fact, there are regulations which oblige the employer to analyse the qualification needs of companies and employees, to consult the works councils concerning the identified needs and to use measures to fulfil these needs (Bahn Müller, 2015, 63). Mostly a right to an appraisal interview as main instrument is established (Bosch, 2015, 27). In addition, the responsibility of enterprises to concretize the agreement is big and especially SME could be overburdened (Lee, 2016). A general problem of using a collective agreement to promote employee training is that the coverage by collective agreements is eroding.

4.3 Information, support and guidance

The social partners inform and guide their members in very different ways. The *BDA* itself does not guide, but the *Wuppertaler Kreis* (a consortium of the training providers of the German economy – *Bildungswerke der Wirtschaft*), in whose board the *BDA* is member, does. The *ZDH* also acts in an indirect way via boards and committees, but it also holds the role of a mediator between member associations and chambers. Crafts firms often rely on the supply of chambers and of their associations so that individual firm specific guidance is not always necessary. The *ZDH* and its member organisations support companies in their human resources development. The need for qualification comes from the companies, but due to the small firm sizes an institutionalisation via the associations and the *ZDH* is helpful and important. The *ZDH* and its associations bundle the demands of SMEs so that firm specific guidance can be substituted. The *DGB* informs via campaigns.

The employers' as well as the employees' side rate the guidance structure as manifold and well established (*BDA, DGB*). The *BDA* rates the guidance by official institutes as good (guidance at the Federal

Employment Agency, hotline for further education initiated by the Federal Ministry of Education and Research (*Bundesministerium für Bildung und Forschung – BMBF*) and does not see any need for changes, for more institutions or for more competences of existing institutions. The *ZDH* wants to improve guidance because it might be a problem if training providers do guidance, too. The *DGB* states that the quality depends on the guider's grade of professionalisation.

Employers and employees agree that guidance should take place in the companies. The *BDA* states that the companies are obliged to inform themselves and should counsel their employees. Concerning SME, the *BDA* sees that external guidance may be helpful, but the social partners should be involved because they know the companies' needs. Learning and qualifying are important themes, which are in the public discussion. However, the *DGB* claims, it is not always implemented in the daily live at the enterprise. Therefore, on the one hand more guidance of companies is needed, and on the other hand common solutions between employers and employees on how to implement employee training in the company are important. Especially for SME guidance and support are necessary when companies cannot afford adequate human resource development. External qualification guidance or regional sectoral dialogues may be helpful as well as a guideline for social partner involvement in employee training (*Sozialpartner-richtlinie*) (see box).

Best practice: Social partners' agreements (*Sozialpartnervereinbarungen*)

In the last years social partners' agreements have gained importance. These agreements between social partners only oblige the contracting parties, in contrast to a collective agreement which is obligatory for all members. Two programmes supported by the European Social Funds have been conducted – *ESF-Sozialpartnerrichtlinie weiter bilden* (2007-2013) and *Fachkräfte sichern: weiter bilden und Gleichstellung fördern* (2015-2020). The programmes were initiated by the Federal Ministry of Labour and Social Affairs (*Bundesministerium für Arbeit und Soziales – BMAS*) and the social partners were involved in the development and implementation. In the guideline for social partners (*Sozialpartner-richtlinie*) the conditions for support are regulated. A social partners' agreement or a collective agreement is mandatory for public support. The aim of the programme ESF project "weiter bilden" was to improve participation in CVET by supporting social partners' activities (Loebe/Severing, 2017). Social partners can support small enterprises, if they are overburdened with making employee training projects themselves. Promoted measures were the identification and analyses of qualification needs, the amelioration of training measures in the company and the amelioration of the framework of employee training (Kretschmer/Mohr, 2015). This comprises the qualification of low skilled / older employees, systematic approaches in human resources development and guidance. The programme was followed up by the *ESF-Sozialpartnerrichtlinie "Fachkräfte sichern: weiter bilden und Gleichstellung fördern"*. The aim is to support social partners and companies to ensure the supply of skilled employees. In extension to the first programme one focus now lies on networking-activities especially for SME and on sectoral dialogue (<http://www.esf.de/portal/DE/Foerderperiode-2014-2020/ESF-Programme/bmas/2014-10-16-Fachkraefte-sichern-weiter-bilden-gleichstellen.html>).

The Federal Government, the social partners, the *Bundesländer* and the Federal Employment Agency have also launched the Alliance for Initial and Further Vocational Education (*Allianz für Aus- und Weiterbildung*). *BDA* and *DGB* wish that the alliance could focus more on further training to emphasize the importance of employee training.

4.4 Contribution to quality, transparency and efficiency

On the one hand the market is rated as non-transparent by the social partners because of the high number of providers. On the other hand the numerous providers offer a broad range of possibilities in a very competitive market.

The social partners agree that the training market in Germany offers a very wide range of training opportunities of numerous providers and that quality assurance is necessary. A lot of quality seals exist. There are two well-known seals –*CERTQUA* and *AZAV*. *CERTQUA* is an accredited organisation for certification of training providers founded by the *BDA*, *DIHK*, *ZDH* and the *Wuppertaler Kreis*. In the Regulation of Accreditations and Admission Employment Promotion (*Akkreditierungs- und Zulassungsverordnung Arbeitsförderung – AZAV*) the conditions a training provider must fulfil to be eligible for public financial support are spelled out. The social partners are involved via the governing board of the Federal Employment Agency.

The *BDA* rates the existing quality seals as good and adequate to certify training measures and sees no need for further standardisation processes. The *ZDH*, which mainly represents small companies, states that the companies look at the supply of their chambers and associations, because these measures and their quality are known. In addition, SME normally cannot develop individual solutions or training measures, but rely on their representations. The chambers of skilled crafts are responsible for quality and offer relevant qualifications which are recognised nationwide at the labour market. Certificates of private providers are sometimes not recognised nationwide.

The employers rate the existing regulations as sufficient and do not see a need for governmental intervention or more regulations. The *DGB* in contrast would prefer a standardisation of the existing quality seals.

Regarding the question whether the supply of training measures fulfils the qualification needs, the social partners agree that the market in general works quite well. The training providers react very soon and flexibly on new skills needs and new tendered measures so that companies' qualification needs can be answered. The *DGB* points out that the qualification of the training staff is important for the quality of the measures, so that a minimum wage in the training sectors is justified. All social partners see a need to qualify low skilled employees. Due to this the *DGB* proposes low-threshold measures to reach low-skilled employees. The *BDA* identified a higher need of hybrid measures (blended learning), of measures for elderly and for employees after a family break.

4.5 Recognition and validation of competences and qualifications

The social partners are involved in the recognition and validation of non-formal and informal competences which are discussed a lot (e.g. via a research group at the Federal Ministry of Education and Research – *BMBWF* and the main committee of the Federal Institute for Vocational Training). Corner stones of future validation processes are currently discussed between social partners and the government but a standardised process is not yet established. There are several projects to test validation and recognition (e.g., *myskills*, *ValiKom*) (see box).

Best practice: *ValiKom* and *myskills*

ValiKom is a project of four chambers of skilled crafts and four chambers of industry and commerce to make competences of formally low-skilled persons visible and so to strengthen their chances at the labour market. The chambers formulated a procedure how to recognise and validate non-formal and informal competences relative to a recognised certificated vocational degree (initial and further vocational education). To validate competences, individual CVs as well as further documents and certificates are analysed concerning a person's participation in education and work experience. On this base the vocational competences are assessed by practical instruments like work samples and expert talks. At the end of the procedure the chambers certify the competences of a certain profession which a person shows (www.valikom.de).

myskills is a project of the Federal Employment Agency and *Bertelsmann-Stiftung*. Low-skilled people and migrants can do a test of four hours at a computer. They look at videos of typical work situations and answer questions. The results help the work agency to ameliorate the individual mediation. The results also give hints in which operational area a person can be inserted in a job immediately and in which field further education and training is necessary (www.myskills.de).

The *ZDH* agrees that the validation of informal competences is an important issue for certain target groups. But the silver bullet is a formal qualification. The aim of validation of informal competences is to guide these people in a formal qualification track. The importance of formal certificates should persist, because they are known and transparent at the labour market. Companies need broadly qualified and skilled people and seldom employees with a very high degree of specialisation. Due to skills shortages it is necessary to qualify lower skilled people.

Recently it is possible to attend a modular qualification (*Teilqualifikation – TQ*). The *TQ* consists of modules which are developed corresponding to the training regulations. All modules together comprise a complete vocational degree. The modules can be attended separately and are certificated separately. Especially low-skilled persons can profit from these *TQ* because they often made bad learning experiences in the past and can more easily be motivated to take part in short training measures. The *DGB* raises concerns with respect to the *TQ* and modularization, because it deems it important to qualify people in a whole, broad profession so that they can gain all competences needed for a certain profession. This improves flexibility and employability. However, *TQ* are seen as a good possibility for migrants if they have deficits. The *BDA* in contrast rates *TQ* a good and emerging instrument, because the need for skilled employees is increasing.

For people with informal competences through work experience it is possible to take part in an exam at the chamber without having visited the preparing courses, and to receive a formal certificate.

4.6 Provision of learning

The *DGB* offers training via its own providers (*Berufsbildungswerk, DGB Bildungswerk, Arbeit und Leben* and other educational institutions of the member trade unions). The employers' associations offer training via the *Bildungswerke der Wirtschaft*. In addition, the *BDA* is in the board of the *Wuppertaler Kreis*. The member organisations of the *ZDH* offer training, but the chambers are mainly responsible for the examination.

Companies sometimes act as a provider of training, if they want to qualify their employees in a certain manner and if they cannot find a training measure of an independent provider (see box).

Best practice: DEKRA-Automobil GmbH

DEKRA-Automobil is a company for technical control of vehicles dealing inter alia with vehicle testing, expert reports, and used car management. Around 8.000 employees work at DEKRA-Automobil in Germany. One important profession in the company are the inspection engineers. After having finished the engineer studies, further training is needed to be able to work as an inspection engineer. DEKRA has developed its own training programme which lasts eight months. By doing this, the trainees obtain the competences which they need especially for their work at DEKRA. In addition, there are no independent training providers which offer a similar qualification; only competing companies offer courses for inspection engineers. The quality of the DEKRA course is so high that even external engineers participate. The final exam takes place at the ministry of transportation of the respective States (*Bundesländer*).

5 Conclusion

In general, all social partners are satisfied with the governance structure and their involvement in CVET. They are important players in CVET and can react sooner and more flexible than the government. Social partnership is highly appraised. It seems that subsidiarity is an important principle in employee training to really fulfil the needs of companies and employees. The social partners are satisfied with the dialogue and the agreements between the social partners as well as with the dialogue with the government. The social partners are also satisfied with their involvement in boards, initiatives etc. and do not see any issues in which they should be involved to a greater or lesser extent.

The employers rate the actual status of regulation and competences of public institutions as adequate and do not want the government to gain more competences in decision making, guidance etc. The trade unions, however, see a need for more regulation especially concerning paid leave and financing of CVET. They prefer legal regulations instead of alliances.

The social partners agree that non-formal and informal competences should be recognised and are working on standardisation procedures. However, the question remains to be answered how non-formal and informal competences will be valued relative to professional degrees.

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