



European
Commission

European Business Forum on **Vocational Training** 2014

Business & VET
Partners for Growth
and Competitiveness

Brussels, 23-24 September 2014



Final report



DANISH
TECHNOLOGICAL
INSTITUTE

Education
and Training



Order no 85

European Business Forum on Vocational Training

Business & VET – Partners for Growth and Competitiveness

Final Report

DG Education and Culture FC Lot 1

20 October 2014



technopolis_[group]



Order no 85

European Business Forum for Vocational Training –

Draft final Report

DG Education and Culture FC Lot 1

A report submitted by [Danish Technological Institute](#)
in association with

[Technopolis Limited](#)
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[ICF Consulting Services](#)

Date: 20 October 2014

Order no 85 /01 under Framework Contract DG EAC Lot 1 - No EAC 02/10

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Document control

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|-----------------------|---|
| Document Title | European Business Forum for Vocational Training Final Report |
| Proposal No | Order No 85/01 under Framework Contract DG EAC Lot 1 |
| Led by | DTI |
| Prepared by | Tine Andersen, Karsten Frøhlich Hougaard, Johan Ernest Olivier Secher |
| Checked by | Tine Andersen |
| Date | 20 October 2014 |

Contents

| | |
|---|----|
| Document control | 4 |
| Contents | 5 |
| 1 Introduction | 7 |
| 2 Meeting skills needs in key sectors – workshop 1..... | 11 |
| 3 Working together on entrepreneurial skills – workshop 2..... | 15 |
| 4 Developing apprenticeships in companies – workshop 3..... | 18 |
| 5 Improving collaboration between companies and VET schools | 23 |
| 6 Conclusions and calls for action | 26 |

1 Introduction

On the 22nd and the 23rd of September 2014, 345 participants from the worlds of business, policy, education and training met in Brussels to take part in the second Business Forum on Vocational Training.

The overarching theme for the Forum was “Business & VET – Partners for Growth and Competitiveness”

In advance of the Forum, and to give input to the discussions, a survey was carried out to 91 respondents, representing large European enterprises, SME organisations, sector associations, and VET providers on three main topics:

- Meeting skills needs in key sectors
- Working together on entrepreneurial skills
- Developing apprenticeships in companies

The report from the survey¹ served as input to the discussions at the Forum.

This final report intends to capture and present the main results of the discussions, exchanges, and presentations made at the Forum.

The Forum itself saw a lively exchange of perspectives and experiences in a debate, which focused on how cooperation between the world of education and the world of work can minimize skills gaps, contribute to improving the situation with respect to youth unemployment, and improve entrepreneurial skills in the workforce. In particular, it was discussed if and how business-VET collaboration can contribute to creating more and better apprenticeships. To facilitate the exchange between speakers and the audience, the Forum was moderated by a professional facilitator, Martin Watson (Prospex), just like Twitter feeds were utilised to liven up the discussion.

Speakers and panellists at the Forum

Welcome speeches:

- José Manuel Barroso, President of the European Commission (video message)
- Xavier Prats-Monné, Director-General, DG Education and Culture, European Commission

Opening speeches:

- Maxime Cerutti, Social Affairs Director, BusinessEurope
- Mikael Andersson, European Vocational Training Association, EVTA
- Stephanie Mitchell, Deputy Head of Unit, Entrepreneurship and Social Economy, DG Enterprise and Industry, European Commission

Keynote presentations:

- José Luis Fernández Maure, Director for International Relations, TKNIKA
- David Martinez, Head of HR & GA, Hyundai Motor Europe, a strategic partner of JA-YE Europe
- Bart Vandewaetere, Ass VP Relations with European Institutions, Nestlé
- James Calleja, Director, European Centre for the Development of Vocational Training (Cedefop)
- Joao Santos, Deputy Head of Unit, Vocational Training and Adult Learning; Erasmus+, DG

¹ The report from the survey is available at the European Commission website, http://ec.europa.eu/education/library/study/2014/business-forum_en.pdf

Education and Culture, European Commission

- Pierre Mairesse, Director for Europe 2020: Policy development and country analysis, DG Education and Culture, European Commission
- António Silva-Mendes, Director for Education and Vocational Training, DG Education and Culture, European Commission

Panellists:

- Dana-Carmen Bachmann, Head of Unit, Vocational Training and Adult Learning; Erasmus+, DG Education and Culture, European Commission
- Ulrike Storost, Team Leader - Youth Employment, DG Employment, Social Affairs and Inclusion, European Commission
- René van Schalkwijk, President, EUproVET
- János Szilágyi, Director, Department for Education and Training, Hungarian Chamber of Commerce and Industry
- Luke Shore, Board Member of Obessu
- Jigar Patel, Partner, McKinsey&Company
- Samuel Mühlemann, Professor, Ludwig-Maximilians-Universität München
- James Calleja, Director, European Centre for the Development of Vocational Training (Cedefop)
- Alfredo Silva, Vice-President and Head of Human Resources for Zone Europe, Nestlé
- Luca Visentini, Confederal Secretary, ETUC
- Liliane Voložinskis, Director, Social Policy and Vocational Training. European Association of Craft, Small and Medium-sized Enterprises (UEAPME)
- Richard Weber, President, Eurochambres
- Rasa Zygmantaite, European Forum of Technical and Vocational Education and Training

Concluding remarks:

- Salvatore Pirrone, Director General for Guidance and Training Policies, Ministry of Labour, Italy, Presidency of the Council of the European Union
- António Silva-Mendes, Director for Education and Vocational Training, DG Education and Culture, European Commission

In addition to plenary sessions with speeches and presentations by representatives from the European Commission, renowned experts, and stakeholders (see the above box), the Forum included three targeted workshop sessions and two panel debates. The titles of the workshops, which followed the topics of the Forum, were:

Workshop 1: Meeting skills needs in key sectors

Workshop 2: Working together on entrepreneurial skills

Workshop 3: Developing apprenticeships in companies

A background paper for each workshop had been distributed to participants in advance of the Forum. The background papers briefly discussed the topic of the workshop, and at the end of each paper, 3-5 questions for the workshop were outlined.

Each workshop was duplicated in order to keep the number of participants in workshops down to a number that enabled participants to contribute actively to discussions. The workshops were moderated by experts with specialised insight into the theme of the workshop. The workshops themselves were designed to be very interactive, including

testimonials from persons with particular insights into the topic as well as brainstorming and prioritising sessions.

Overall, the participants had rich opportunities for learning about policies, trends, and practices as well as contributing perspectives and viewpoints as well as discussing common challenges.

Below, the main discussions and conclusions of the forum are reported. Sections 2-4 report on the three topics for the workshops, while sections 5 and 6 report discussions of a more transversal nature, and which mainly took place in the plenary sessions.

2 Meeting skills needs in key sectors – workshop 1

At European level, there is a broad understanding that the provision of the right skill sets is one of the key factors for securing growth for the European companies, thereby helping them to move on from the financial crisis. Despite the general recognition of the need to have the right skill sets, as one of the keys to sustainable and inclusive growth in Europe, there is growing evidence that skills gaps are a barrier to future growth. Some sectors simply require a larger supply of skilled labour, while others have a sufficient number of graduates, but a shortage of relevant skills in those graduates. This observation was strongly supported by the survey performed as a preparation for Forum.

Workshop 1A and 1B focused on how the EU and business-VET cooperation could support closing the growing skills gap. Workshop 1A was moderated by Matthew Gatt, ESkills Malta Foundation, while Workshop 1B was moderated by Nikolaos Gavalakis, Hellenic Federation of Enterprises.

The workshops each included a best practice presentation. In Workshop 1A, Anne Matilainen who presented the Leonardo da Vinci project 'Envolwe', while in Workshop 2B, Dr Monika Strickler presented experiences from cooperation between industry and VET on the development of a competence profile for employees working in the solar industry. Further, the workshops included testimonies from former VET students about their transition from school to work. In workshop 1A, the testimonies came from Martin Ulbrich – automotive designer, and Michal Ondruš – civil engineer. They both underlined that the workplace environment had turned out to be significantly more complex than they had expected on the basis of what they had learnt in school. One of the former students identified the support of a school guidance counsellor as the main reason why he had ended up in a job where he could use his talents for visual design. And indeed, later, in the world cafés, the importance of early guidance on professional choices under involvement of parents and previous graduates was raised. In Workshop 1B, a third student, Lukas Wisla underlined the importance of quality apprenticeships as a method to secure that VET students' have the skills that are demanded by the labour market.

Following the presentations, participants proceeded to world cafés where the questions of the background paper were discussed on the backdrop of the presentations. The discussions and conclusions of the workshops are reported below, and where plenary sessions touched upon the same issues, these discussions are integrated.

2.1 Ensuring the proper balance between basic vocational skills, specialised skills, an transversal skills

In workshop 1A and 1B, one of the main debates focused on finding the proper balance between basic vocational skills, specialised company specific skills and transversal/soft skills.

In both workshops, there was a common understanding that all three types of skills needs to be present and integrated in the VET system. However, the balance between the skills sets depends on the type VET education (the balance is not necessarily the same for VET graduates working as skilled workers in manufacturing and for those working in healthcare, just to mention one example), and as such, cannot be established across all VET programmes. As there was an agreement on the importance of all the skill types, participants agreed that the main question should instead be about ensuring that VET graduates possess all three skills sets.

A viewpoint that was widely expressed was that mixed learning methodologies focusing on all three skill sets is one of the means for securing that students have all three skill types upon graduation. Examples on this kind of learning methodologies integrating the three skill types are project- and problem-based learning or work-based learning such as apprenticeships. In addition, mobility schemes were mentioned as a way to secure both the development of vocational and especially transversal skills. Furthermore, there was a general understanding that cooperation and communication between businesses, VET

providers, the governmental level and the voluntary sector and civil society is crucial for providing the right balance in the skills demanded on the labour market.

According to the workshops another important factor for securing that VET graduates have all three skill types are, that they are all recognised, evaluated and validated in the VET system. If for example transversal skills are not validated or evaluated, then the students tend to reduce their importance. Other participants pointed out that non-formal and informal learning on all three skill sets should be recognised in the VET system.

Another important dimension of this discussion is how to ensure the proper balance between basic vocational skills and specialised or occupation-specific skills. Should VET institutions play a central role in skills specialisation or should they rather focus on providing a solid basic vocational skills base? Two points of view were expressed on this matter. The first, and most supported viewpoint, was that basic skills and techniques should be taught in school while vocational specialisation should be further developed in the work place. As was generally expressed by many participants during the Forum; work environments are also learning environments. David Martinez, Head of HR and GA at Hyundai Motor Europe supported this notion during his plenary session presentation by saying that their company can take care of the needed technical specialisations by in-company training. Therefore, they prefer that VET schools focus on basic vocational and transversal skills.

However, a few participants expressed their disagreement and pointed out that the VET system should be better at providing specialised skills. The preparatory survey showed that this point of view was primarily expressed by small companies with fewer resources to train new employees.

2.2 Transversal skills are of utmost importance

“Transversal skills are the bedrock for all other skills” (Forum participant during workshop 1A)

The survey conducted as a preparation for the Forum pointed out that large companies and business associations are under the impression that European VET graduates to some extent lack transversal skills – in particular interpersonal skills (*“...how to behave in the workplace”* (Large company in survey)). This is particularly pronounced in countries with mainly school-based VET systems, and where work-based learning takes place less frequently than in dual VET systems.

During the Forum, the importance of transversal skills relative to core occupational skills was discussed by several speakers. For example, René van Schalkwijk, President of EUproVET, concluded after the first panel session that in his experience, most companies prefer that the education focus more on core technical/vocational skills. On the other hand, David Martinez from Hyundai Motor Europe called for a greater focus on transversal skills in the VET system.

Defining transversal skills

Transversal skills include a number of non-occupationally specific skills such as personal and organisational skills. According to ESCO (the European Database of Skills, Competences, Qualifications and Occupations) transversal competences can be divided into five groups:

1. Application of knowledge
2. Attitudes and values at work
3. Language and communication
4. Social skills and competences
5. Thinking skills and competences

These skills are often referred at using multiple different terms, hereunder ‘soft skills’, ‘cross-cutting skills’ or just the specific skills in question (e.g. language skills, communication skills, etc.)

Participants observed that transversal skills are not only crucial here and now, but are essential for securing the right provision of skills in the future. Many participants emphasised that it is difficult to foresee which (specialised) vocational competences will be needed in the future. Therefore, flexibility, adaptability and the ability to learn how to learn are central competences for VET graduates preparing them for future changes in skill demands and labour market distortions. Still, as it was emphasised by several participants, basic vocational skills that are particular to a specific sector and/or occupation, is the foundation upon which to build advanced technological and job-specific skills as well as transversal skills.

Work-based learning is an important factor in developing transversal skills of VET graduates, workshop participants agreed. By becoming familiar with a workplace and by experiencing how specialised skills of different employees come together in the workplace to produce a product or service, VET students achieve insights and competences that are difficult to teach in a school environment.

2.3 Teachers' and trainers' competences

During the workshops and in the Forum as a whole, teachers' competences were repeatedly mentioned as an issue of the utmost importance. If VET systems are to provide their students with the right skills for the present and the future, then the teachers themselves need to have excellent and up-to-date skills. As it was expressed by one workshop participant: How can teachers who do not know which skills are required in the workplaces teach VET students the required skills?

The workshops revealed that there are many different strategies for upgrading teachers' and trainers' qualifications besides offering continuing education in a formal setting, and that some of the alternative methods may be better aligned to an intensified VET-business cooperation. Several participants suggested that VET systems encourage and support of *exchange of teachers with employees from companies*. The exchange would give teachers first-hand experience of being part of a work environment and of being exposed to the practical use of the methods, tools, and technologies taught in the classroom - while employees from companies would benefit from being included in a learning environment. Internships for teachers could partly serve the same purpose.

A variant of this model is *shared learning and innovation spaces*, where companies and schools interact closely and teachers engage in innovation projects together with companies, which are on the technological forefront, as exemplified by projects run by the Basque training corporation Tknika. These spaces may be established physically on the premises of the company or of the school, but may also be established as 'neutral territory', where representatives from schools (teachers and students) work together with representatives from companies or workplaces on projects defined by either side.

Generally, it was agreed, VET teachers need to engage more with employers who are at the forefront of business, technology or workplace organisation, or with technological research centres. This will allow the teachers to get a deeper insight into leading edge technologies and the skills required to develop, use, and operate them.

Finally, the workshops observed that competence is not only an issue for teachers at VET schools. If workplaces are to become learning spaces, the staff who is assigned the task of mentoring students may require additional skills in the field of pedagogics and didactics. Such skills need not be delivered in the form of full-time courses, as is the case in some countries with dual VET systems, but can utilise blended learning, online distance learning, and digital resources to allow company staff to participate in training when it fits their schedule best.

2.4 Second class education and the image problem

Several speakers at the Forum as well as workshop participants acknowledged that one of the main problems for VET is the poor reputation that vocational education has in most European countries. VET is commonly seen (by potential students and parents) to be a

second-class education compared to higher education. This has in recent years led to an increase in graduates from higher education and a decrease in the share with a vocational education.

The image problem implies that the most talented young people tend to disregard VET, thus creating problems for the VET system in delivering top-skilled vocational students. Another consequence is that the intake in VET schools cannot keep up with the amount of VET graduates needed by the labour market – especially within the technical field. If VET institutions are to succeed in providing the right quality and quantity of VET graduates, securing that skills needs in key sectors are met, this problem needs to be addressed.

This trend is even more alarming when considering the figure quoted by Maxime Cerutti, Social Affairs Director at Business Europe, that in 2020, 50% percent of European jobs will still be medium-skilled, meaning that there will continue to be a strong demand for VET graduates. James Calleja, Director at Cedefop underlined that the poor image has severe ramifications in all parts of the system – from poor intake and retention to bad apprenticeship possibilities. Therefore, European and national policy makers should react quickly on the matter.

Two main solutions that could improve the image of VET were brought forward at the Forum. The first concerned the discourse around VET. Since the Lisbon Strategy was first launched, political focus has mainly been on higher education. To change this, policy makers need to actively support and promote a positive discourse about VET by emphasizing the importance of the skills produced by VET and the need for VET graduates. Furthermore, it was suggested that school counsellors and the guidance system need to focus more on VET instead of seeing higher education as the only viable pathway.

2.5 Cooperation is the key to meeting skills needs

Throughout the workshops and the whole Forum, there was a general understanding that cooperation and communication between businesses, VET providers, the governmental level and the voluntary sector and civil society is crucial if VET is to meet skills needs in key sectors. This is true with regard to determining which vocational, specialised and transversal skills are in demand, but also in securing the right balance in the skills demanded by the labour market.

Finally, it is central that there is collaboration in the learning process through high-quality apprenticeships and other forms of work-based learning, as work-based learning is crucial for giving VET students the required vocational and especially transversal skills demanded by the European companies.

3 Working together on entrepreneurial skills – workshop 2

The Europe 2020 strategy recognises entrepreneurship and self-employment as key to achieving smart, sustainable and inclusive growth. There is increasing recognition that the competitiveness of European businesses hinges critically on the development of the entrepreneurial skills of the workforce, and particularly amongst SMEs which make up the lion's share of European enterprises and account for almost 70% of jobs. Entrepreneurship is not just about starting your own business but goes much wider. The EU's Key Competence Framework² defines entrepreneurship as '*...the ability to turn ideas into action. It involves creativity, innovation and risk-taking, as well as the ability to plan and manage projects in order to achieve objectives. The individual is aware of the context of his/her work and is able to seize opportunities that arise.*'

In response to reports that the European workforce lack the necessary entrepreneurial to drive innovation and competitiveness, the EU has supported a broad range of actions to promote entrepreneurial education and training. The importance attached to entrepreneurship education is reflected in the Entrepreneurship 2020 Action Plan which puts entrepreneurship at the heart of growth and business development agenda and is encouraging the Member States to "*ensure that the key competence "entrepreneurship" is embedded into curricula across primary, secondary, vocational, higher and adult education before the end of 2015*".³

A review from 2012⁴ assessed how EU countries were strategically addressing entrepreneurial skills. It found that countries varied significantly in terms of strategy development and implementation. Some have strategies dedicated to entrepreneurship education while others have developed entrepreneurship education through wider policies e.g. national curriculum frameworks; others are still in planning stage. Overall, the review found a wide variety in practice in terms of curriculum, teacher preparation and assessment. The review concluded that '*there is a significant need for Member States to embed and deepen implementation of entrepreneurship education.*'

Workshop 2A and 2B focused on how cooperation between business and the VET system can improve entrepreneurial skills in the workforce, and explored other factors that may contribute to improving VET students' entrepreneurial attitudes.

Workshop 2A was moderated by Anthony Gribben, European Training Foundation, while Diana Filip, JA-YE Europe moderated workshop 2B. Both workshops included best-practice show-casing presentations and presentations from young entrepreneurs and lively discussions in the world cafés.

3.1 Real world problems as key to learning

Across the two workshops, there was a broad understanding that entrepreneurial *learning should be based on real world problems*. It is important that the VET system provide authentic and genuine learning opportunities for the students, if they are to learn how to be creative and entrepreneurial. If tasks are based on real world problems, VET students will learn how to come forward with workable solutions which bring genuine value to the local business community.

² Key competences for lifelong learning, summary of Recommendation 2006/962/EC of the European Parliament and of the Council of 18 December 2006 on key competences for lifelong learning. http://europa.eu/legislation_summaries/education_training_youth/lifelong_learning/c11090_en.htm

³ European Commission (2013). *Entrepreneurship 2020 action plan. Reigniting the entrepreneurial spirit in Europe*. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

⁴ European Commission, DG Enterprise (2012): *Building Entrepreneurial Mindsets and skills in the EU. A Smart Guide on promoting and facilitating entrepreneurship education for young people with the help of EU structural funds*. Luxembourg, Office for Official Publications of the European Union. [Online] http://ec.europa.eu/enterprise/policies/sme/regional-sme-policies/documents/no.1_entrepreneurial_mindsets_en.pdf

One way of ensuring that learning is reality-based is to have the local business community directly engaged in the learning process with their expertise and hands-on know-how. Ideally, business people provide real tasks for students to work on and learn from, act as mentors or advisors. These are business owners/entrepreneurs or employees from companies. They visit the school and also communicate with the students online. They are a source of practical advice and experience as well as encouragement and motivation throughout the year. They are important role models, too.

In practical terms, this may imply that companies and schools together develop business relevant case studies for students to work on or projects like mini-companies. Projects like mini-companies facilitate the relationship between business and education institutions, achieve substantive impact and are easy to replicate. These projects do much to accelerate change and improve the quality of our education systems down the road.

A slightly different approach is for VET institutions or authorities to work with companies or business associations in offering or competitions where students develop their entrepreneurial skills in competing for a prize. In addition to improving entrepreneurial attitudes in the potential workforce, these learning methods can also help the local companies by providing alternative solutions to their problems creating further mutual benefits for both sides.

3.2 VET schools as part of the community

Cooperation between schools and businesses such as that outlined above requires that both businesses and VET institutions understand that VET institutions are a potentially important player in the local business community, and that cooperation is beneficial for both sides.

One recommendation from Workshop 2A was that local *VET schools should be embedded in the local entrepreneurship eco-system and be promoted as 'R&D departments for local SMEs'*. Ideally, the VET school should be seen locally as the place where small companies could acquire the newest knowledge, as well as the place where they could send their employees to learn the newest skills. However, there was a general agreement that it can be difficult for SMEs to find a way into the VET system and begin to cooperate with local schools. As one participant remarked: *"where is the front door for the SMEs in the VET schools?"*

Access is not the only issue, however. If VET schools are to become important players in the local or regional business and innovation system, teachers need to become more involved in the local business community and have a better insight in the local companies than is currently the case in many countries. Not only will this insight improve teachers' understanding of current and future skill needs but will also allow them to understand how entrepreneurial attitudes and skills are applied in the real world. More direct engagement of teachers into the local business environment was considered critical to building teacher capacity with company visits and internships for teachers in companies or business-educators workshops were recommended as ways forward.

3.3 The teacher as a facilitator

In the two workshops, the participants discussed what an increased focus on entrepreneurial skills and attitudes implies for the role of teachers vis-à-vis students. Both workshops concluded that in the future, teachers should focus less on the classic teaching role and instead start seeing themselves more as facilitators for the students' learning process. This could involve more open-ended, project-based assignments, i.e. where the outcome is not pre-determined, and where students are challenged to develop their own solutions, be these concrete products or concepts. This approach to teaching and learning creates more room for the students' individual and group problem solving, creativity and a more entrepreneurial mind-set.

Furthermore, when work-based learning and apprenticeship will be a more important component of VET programmes than is currently the case in many countries, teachers need to develop their ability to coach students during periods when their learning venue is outside

the school. In workshop 2B, it was specifically pointed out that coaching needs to be pragmatic and oriented towards the different companies and the company specific context. In any case, teachers should be able to help students understand and contextualise the practical knowledge as well as the entrepreneurial skills that they acquire through work-based learning.

3.4 Entrepreneurship should permeate the whole system

In workshop 2A and 2B, the participants pointed out that many different actors play an important role in the promotion of entrepreneurial skills in the workforce. If the entrepreneurial skills of the VET students' needs to be improved, the whole education system should be much more focused on entrepreneurial attitudes. This does not only imply that local VET institutions put more emphasis on entrepreneurial learning. They also need to be more entrepreneurial themselves by collaborating with business and providing an entrepreneurial environment for staff and students with entrepreneurship permeating all learning activities.

Furthermore, workshop 2B specifically underlined that entrepreneurial learning should be implemented across the whole education system and not only in the VET system. Hence, entrepreneurship is a competence and mind-set that should be in focus in all learning steps from kindergarten to final graduation. If the European workforce should be more entrepreneurial, entrepreneurship needs to be a part of lifelong learning.

The integration of entrepreneurship into initial teacher training and exchange of best practices was identified as key.

Furthermore, national policy-makers should be making more of the good practices available that demonstrate how entrepreneurship promotion in VET generates new ventures. They should engage young entrepreneurs sufficiently into sharing good practice in VET schools and consider them as "role models". Further, to ensure wider policy impact, young entrepreneurs should thus be directly engaged into national and EU entrepreneurial policy development.

Finally, entrepreneurship should be on the agenda on all institutional levels, from the EU to the local level.

4 Developing apprenticeships in companies – workshop 3

Apprenticeships as a way to improve the quality of VET, the transition from school to work, and the labour market situation of young people have received renewed focus due to some of the current challenges facing Europe. Youth unemployment numbers have reached staggering heights – particularly in southern parts of Europe; public budgets across the continent are shrinking due to the economic crisis; globalisation is still ongoing; and rapid technological developments result in new and constantly changing skill demands⁵.

As indicated in earlier sections, apprenticeships have several advantages when it comes to addressing these challenges. The recognition of the advantages of apprenticeships has prompted several initiatives at European and national level, most prominently the European Alliance for Apprenticeships, which works through pledges from stakeholders (national authorities, individual companies, social partner organisations, business associations, or NGOs). The stakeholders pledge to undertake concrete actions that will benefit the situation with respect to apprenticeship.

Hence, developing apprenticeships in companies was the topic for Workshop 3. The focus of this workshop was to explore the relationship between VET schools and companies, in particular SMEs, and examine how this relationship could be strengthened. It is worth noting that the workshops revealed that, in spite of the intense political focus and research of recent years, there is still as *widespread terminological confusion surrounding the word 'apprenticeship'*. The discussions in workshop 3 revealed that 'apprenticeship', 'internship', 'work-based learning', and 'practicum' are used interchangeably to describe activities involving students working in companies in connection with their VET education.

Veronique Feijen, EUproVET, moderated workshop 3A while Anthea Hollist, Skills CFA, moderated workshop 3B. The workshops each included best practice presentations from a company, a VET provider, an intermediary and an apprentice in order to ensure a nuanced and holistic view.

In workshop 3A, Annemieke Berends from Friesland Campina presented a project on how to improve the inflow of students into technical professions and the dairy sector through apprenticeships. From the VET provider perspective, Mr Erwin Huybrecht presented a model in which VET providers, local authorities and companies were initially supported and trained to improve their cooperation, and after some time the partners were able to communicate and collaborate effectively without help. Mr. Thomas Waxweiler from Germany shared his experience on inter-company training networks, which have been effective in providing apprenticeships among micro-companies. Finally, Shannen Scott and Nico Dewilde shared their views from the perspective of the apprentice. Ms Scott was previously an apprentice and is now the Chief Executive at Apprenticeships in Scotland, and Nico was sharing his experiences from Umicore.

In workshop 3B, Sebastian Dolderrum from Ardagh Group delivered the company perspective and explained about Ardagh Group's experience with a so-called industry school. Ms Doris Wagner presented the dual system of Austria and explained how the social partners are closely involved in the Austrian VET System, in particular when it comes to collaborating with VET providers on defining and describing learning outcomes. Mr. Philippe Perfetti represented the viewpoint of the intermediaries from APCMA. His main point was that especially micro companies need intermediary bodies to relieve the companies for some of the administrative burdens. Finally, Ronés Huisma shared his experiences as an apprentice in Ardagh Group.

The introductory presentations were followed by world café discussions around the questions prepared in the workshop note. The main outcomes of the workshops as well as plenary discussion of the same theme are presented below.

⁵ From "European Business Forum on Vocational Training: Workshop 3. Topics and questions"

4.1 VET providers have role in ensuring more and better apprenticeships

The workshops saw a clear role for VET providers in contributing to more and better apprenticeships. Depending on the autonomy of VET institutions and individual schools, their contribution should focus on collaboration, transparency and competence.

Schools may actively seek to improve the situation with respect to the *dialogue with the local/regional business community* through approaching not only individual companies, but also existing bodies like sector organisations or committees, chambers of commerce or industry. At national level, dialogue should be sought with sector skill councils or committees, where such exist. The dialogue with such bodies should eventually result in the involvement of business in the design of the qualifications

Balancing of expectations is vital to ensure that the experience of an apprenticeship is positive for all involved. It was proposed that VET providers should develop tools, routines, and materials, which could contribute to this objective. It should be clear, on the one hand, what companies can expect of an apprentice and of the school's support, and on the other hand, what the school expects the company to deliver in the way of learning outcomes and resources used for mentoring and communication with the school.

VET providers also have a pivotal role to play in *ensuring that teaching in the school is relevant to businesses*. This requires that curricula be regularly updated to reflect changes in the business environment, that the specialisations taught at schools are aligned to sectoral specialisation, especially within SMEs, and that the pedagogics reflect workplace practices.

Participants in these two workshops, just like those in the other workshops, emphasised the importance of *ensuring that that teachers' knowledge, skills, and competences are kept up-to-date*, for example by working in companies a few days a year, as is the case in a Danish VET school, according to one of the participants. It was also proposed that teachers in VET schools could play an active role in training trainers or mentors in companies.

Finally, workshop participants proposed that *apprenticeships need to be seen as linked in with lifelong learning*. VET schools not only provide the companies with young apprentices, but may also contribute to updating the skills of their existing employees, and – in the end – be co-creators in local or regional innovation processes.

4.2 Attractiveness of apprenticeships to SMEs

SMEs constitute the majority of the companies and workplaces in Europe. However, according to several Forum presentations SME's in Europe as a rule do not take sufficiently part in the training of apprentices. Indeed, SME involvement in apprenticeship is one of the two main challenges identified by the European Alliance for Apprenticeships.

This issue was discussed extensively at the Forum, not only in Workshop 3, but also in plenary sessions. It was suggested by several speakers that the reluctance of SMEs to engage in apprenticeships mainly stems from their sometimes limited cash flow compared to larger businesses, which implies that SMEs are prone to focus more narrowly on the short term and on immediate return on investment. The situation of many SMEs have worsened in the repercussions of the economic crisis. Hence, investing in education of future employees are often not seen as a viable option by entrepreneurs or managers of SMEs.

To cope with this situation and make apprenticeships more attractive to SMEs, several suggestions were put on the table

Research work led by Business Europe is ongoing concerning costs and benefits of apprenticeships in 15 countries⁶, with data so far only from a few countries. So far, results indicate that on balance, the benefits for companies exceed the costs significantly, but these benefits appear only after three years on average. Therefore, financial support in the first years is called for. It was proposed that *funds for supporting the remuneration of apprentices* could be created where such funds do not already exist. Contributions to the funds should be

⁶ See <http://www.ceep.eu/employers-led-project-on-apprenticeships/> for a description of the project.

obligatory for all employers. Likewise, *tax incentives* for companies offering apprenticeship could be contemplated.

However, *non-financial support is just as important*. National policy makers as well as VET providers themselves should take action to reduce the administrative burdens involved in taking on apprentices, making it as easy as possible. A concrete proposal is to establish local contact points who take on practical tasks in establishing apprenticeship contracts and ensuring the communication between school and company.

A member of the audience suggested in one of the plenary sessions an approach, which could complement initiatives to reform regulation and install proper incentives. This approach requires authorities and VET providers to consider actively involving larger organisations with extensive supply chains. Such supply chains can involve several SMEs. Hence, getting the large companies on board in an effort to support their suppliers in taking on apprentices can be a very worthwhile investment.

It was also suggested that companies in a region could take collective responsibility for the training apprentices. This is a practice in Germany and in parts of the Netherlands that allows SMEs to take on apprentices for lower (overhead) cost and shorter periods. Students can switch to other companies if a small company can no longer take the burden or goes out of business.

On the issue of costs, there was a discussion on remuneration policies. There was a suggestion that companies could pay for costs rather than paying a salary, especially in tight times, to prevent this aspect becoming a burden for companies. There were varied opinions on this and no general conclusion.

Finally, many SMEs may not be aware of the existence of apprenticeship training in their region or country, and if they are, they may not be aware of the benefits that apprenticeships can bring to the company. The results of the aforementioned studies of costs and benefits for employers of apprenticeship as well as individual success stories (successes for companies as well as students) need to be communicated to companies in a clear and efficient way.

4.3 Ensuring high quality apprenticeships

Quality of apprenticeships is a recurring topic, especially in countries with school-based VET, where the regulatory framework for apprenticeship is non-existent or weak.

In such situation, there is a need to define and specify what is understood by quality of apprenticeships for all involved: Quality for the apprentice, for the VET provider and for the company.

Different aspects of quality were discussed, and there was agreement in the workshops as well as the plenary sessions that a whole range of factors come together to define quality.

For the apprentice, quality factors include being overseen and mentored by an employee appointed specifically to this position; healthy working conditions similar to those of regular employees; a learning environment that contributes towards the apprentice's competences and towards the VET qualification; a reasonable remuneration.

For the company: Access to young people with new ideas and knowledge; contact to the school, which may be utilised for other purposes; opportunities for staff development through mentoring roles.

For the VET provider: That students bring back to the school experiences that can be utilised in teaching, making it more interesting and relevant.

4.4 Apprenticeship needs governance and regulation at all levels

A clear outcome of the workshops as well as the plenary sessions was that *there is a need for policy makers at EU, national, regional and local level to ensure that framework conditions favourable to apprenticeship are in place*. Whereas there are many ways that VET providers as well as companies can contribute positively to exploiting existing apprenticeship schemes better and create more targeted learning experiences for students, they cannot

develop and support an apprenticeship system bottom-up without a proper regulatory framework setting the rules of the game out clearly.

It was underlined that such a framework needs to be flexible to allow for regional and local specificities, but at the same time should ensure that minimum standards are met.

In particular, it was emphasised that it will be very important for a growth in apprenticeship that this educational pathway become better integrated in educational systems and qualification systems in countries that do not have dual VET systems. If permeability into higher education can be ensured, this will contribute to raising the attractiveness of apprenticeships considerably and improve parents' acceptance factor of choosing apprenticeship-based VET.

4.5 **Th role of the EU in supporting apprenticeships**

Several speakers suggested that EU has a role to play in supporting Member States in the promotion of apprenticeships and voiced support for the European Alliance for Apprenticeships, while pointing out that even more should be done.

It was discussed that many different models exist, and that Member States, companies and VET providers could be better supported to find out what aspects would work best within their own systems. Pros and cons should be researched and described. What are the strengths and weaknesses of all these systems? How come the German system is so effective? How come NEETs are so low in Denmark and Holland? Apprenticeship is just one part of the puzzle, and Member States need to have the whole picture to be able to make the best decision. An example that was mentioned was the analyses of the German system made by the Bertelmann Stiftung, "Germany's dual vocational training system: a model for other countries?" The workshop participants made a passionate plea at the end to make conclusions of the workshop and forum widely and easily accessible.

In the plenary, Xavier Prats-Monné, Director of DG EAC, stated that from the Commission's point of view, the role involves providing information to allow benchmarking ('telling countries how they are doing'), providing incentives, and facilitating exchange of best practice. Several statements from speakers and panellists supported that these are indeed the elements of the role that the EU is expected to play concerning apprenticeship and VET policy. Speakers, panellists and members of the audience added a few elements to the list: Financing and facilitating research and peer learning were the most prominent.

5 Improving collaboration between companies and VET schools

Throughout the two days of the Forum, it became clear that over all, improved collaboration between VET schools and companies is an important part of the recipe for solving several current challenges, ranging from high and persistent youth unemployment to lagging competitiveness of firms. Improved collaboration, it was repeatedly stated, could reduce skills gaps, improve entrepreneurial skills in companies, contribute to the creation of more high-quality apprenticeships, and prevent youth unemployment.

Nevertheless, as James Calleja, Director of Cedefop, pointed out, whereas there seems to be clear evidence that collaboration between education and workplaces as well as apprenticeships contribute positively towards improving work, and there seems to be widespread agreement that this is the way forward, little actions is visible on the ground. Therefore, he said, *'we have to stop talking the talk and instead start walking the walk'*, i.e. schools and businesses should take action to create real, effective partnerships, and policy makers should ensure that the framework conditions are favourable.

The question raised by the Forum is therefore less about 'if' partnership is a good idea, and more about 'how'. Many of the debates during the Forum consequently explored challenges and barriers to improving cooperation as well as ways to overcome these challenges and initiatives that can serve to facilitate closer interaction between the two "worlds". The main discussions and the ideas that surfaced are briefly described below.

5.1 Business and VET are in need of common language

It is widely recognised that companies and educational systems have different languages when it comes to skills. Educational systems tend to think of skills as elements that make up an (occupational) qualification, whereas companies tend to think of skills in the context of competences required to perform satisfactorily in concrete jobs at different levels in the hierarchy or career ladder. Hence, the companies' concept of skills tends to be more "holistic", combining qualifications, skills achieved outside of school, and personal traits needed in particular jobs. This difference in perspective sometimes confounds the communication between the two players.

Mikael Andersson, Vice President at European Vocational Training Association (EVTA), highlighted these communication difficulties between the world of education and the world of work. The two sides do not understand each other, he said, and they are in need of a common language to communicate. With constantly changing skills demand, VET institutions need the companies' input on skills requirements now and in the future.

With inspiration from the European Qualifications Framework (EQF) and ECVET, EVTA suggests that the common focus can be *learning outcomes*. It would be beneficial, he added, to create skill catalogues and skill profiles for companies, so that the VET system get a detailed understanding of skills needs. This idea was however challenged by a number of Forum participants, who saw it as overly bureaucratic and in particular not feasible for SMEs.

5.2 Do VET and businesses need a broker for enhancing collaboration?

One of the issues discussed was whether education and business needs a broker to bring them closer together. In the second roundtable, the representative from Eurochambres highlighted that whereas large companies have dedicated departments to take care of collaboration with VET schools and also frequently employ trainers and mentors who take care of apprentices' learning while they are in the company, support services are very important for SMEs. This was confirmed by Maxime Cerutti, who indicated that BusinessEurope is working closely with UEAPME and Eurochambres to promote apprenticeship and work-based learning in SMEs. The size of the business generally plays an important role, but in countries with dual VET systems, SMEs are well aware of the benefits of apprenticeship.

There was a general agreement that public authorities, social partners and intermediaries all play a role in ensuring that good framework conditions (including administrative and non-financial support, the tax system, systems for remuneration of apprentices, and incentives for schools to cooperate with local businesses) are in place.

5.3 SMEs and cooperation with VET

In the plenary sessions, several speakers pointed out that the implementation of apprenticeships, work based learning and cooperation more generally depend on the presence of suitable framework conditions, especially at the local level and where SMEs are concerned. For example, Ulrike Storost from DG Employment emphasized that incentives for schools as well as companies need to be in place, and in addition, the guidance system must actively support students to apply for apprenticeships where these are in place, utilising the figure that up to 90% percent of apprentices finds a job after completion of apprenticeships. The business side agreed that incentives are needed, but added that administrative burdens for taking up apprentices needs to be reduced.

Following on to the points raised above, several participants warned that it is particularly difficult for SMEs, and among them in particular micro companies with less than ten employees, to engage in VET. SMEs, the participants argued, simply do not have the resources to engage in cooperation. Further, if they take on apprentices, it is often in attempt to get cheap labour, and hence, they are not able or willing to deliver quality apprenticeships. This is a severe obstacle to cooperation, since the large majority of European enterprises are micro companies and most employees come from SMEs.

Some participants, notably James Calleja (Cedefop) and others raised the point if SMEs are ready to take on the role as learning environments. Several members of the audience pointed out that SMEs are primarily businesses with a short-term focus, and this has implications for their potential role as learning environments if they are not presented with very tangible incentives.

On the other hand, Luke Shore, Board member of the Organising Bureau of European School Student Unions, (OBESSU) underlined that students want to be employable, but not at the expense of serving as a cheap labour force for the business sector. Hence, if SMEs are to become learning environments in close cooperation with schools, there needs to be a framework in place securing the learning dimension.

During the workshops, the participants debated this challenge, and a range of potential solutions was identified which would improve the engagement of SMEs.

First, administrative burdens associated with taking on apprentices or otherwise offering work-based learning should be kept to a minimum. Regional/local authorities or schools should set up a service to SMEs taking care of the paperwork involved.

Further, schools and authorities need to be better at highlighting the benefits for companies in engaging in such schemes. These benefits include a stable recruitment channel, a chance to test potential employees at a low cost, opportunities for companies to influence school curricula and opportunities for the company to take part in teacher/employee exchange.

A framework for describing and assessing learning outcomes for work-based learning/apprenticeship should be in place.

Tax reductions or other economic incentives should be offered to companies engaged in collaboration as well taking in apprentices.

5.4 Apprenticeships as a means to improve cooperation

Besides all other benefits of and challenges to apprenticeships discussed in the previous section, there was throughout the Forum several interventions focusing on apprenticeship as a means to bridging the skills gap.

Several speakers acknowledged that the existing dual VET systems in Europe have deep historical roots and cannot be transferred wholesale to other countries. However, it was

agreed that apprenticeship systems could be developed that build on the strengths of existing systems rather than attempting to replicate the dual systems. If countries want to pursue this path, the Forum participants pointed out some of the factors that need to be taken into account. These factors were discussed at length in section 4 above: Putting in place framework conditions to ensure quality apprenticeships, establishing the roles of the stakeholders and ensuring that they have sufficient capacity to contribute actively and positively.

Hence, no actor should sit on the hands. As Mikael Andersson, representing European Vocational Training Association stated, more courage is called for in all sectors implicated in the VET question: *“VET institutions needs to dare to be more innovative, companies need to dare to be learning organisations, and policymakers need to dare give the VET institutions more freedom.”*

5.5 Important to recall that VET has other purposes than supply of labour

During the Forum, participants were reminded several times, in tweets as well as presentations and interventions from the audience, that education – including VET – has other purposes than supplying tailor-made skills to companies. In particular, initial VET should contribute to developing not only narrow employability skills (including transversal skills), but also citizenship skills.

6 Conclusions and calls for action

6.1 Conclusions

The second European Business Forum on Vocational Training clearly demonstrated a willingness among all stakeholders present to engage in efforts to improve the cooperation between VET and businesses. It demonstrated that all stakeholders recognise that intensified cooperation is necessary if we want to narrow the skills gaps in European labour markets, improve anticipation of skill needs, and develop a workforce with the professional skills and entrepreneurial spirit that will enable them to take active part in meeting the challenges that Europe is currently facing.

There was no questioning at the Forum of the benefits of increased collaboration, which, there is wide agreement, is to the advantage of the European economies and societies, because such collaboration will support a more intelligent use of the skills, ingenuity and inventiveness of citizens.

However, more than anything, speakers representing all stakeholders repeatedly stressed that due to the very real risk of losing an entire generation to long-term unemployment in large parts of Europe, action is urgently needed.

With respect to apprenticeships, the Forum recognised that this is part of the solution. Participants and speakers went a long way in identifying concrete challenges for an increased use of apprenticeships as an integral part of VET, and pointed to factors that need to be put in place to make apprenticeship a European success story.

However, several speakers pointed out that stakeholders across Europe still appear to be somewhat stuck in the starting blocks. Also, that they appear to be so even in spite of the need for action; in spite of the obvious benefits associated with improved collaboration; and in spite of the fact that initiatives are being taken at European level as well as at the local level, involving individual schools and companies. Some speakers implied a lack of courage required to take the first move to make business VET collaboration at a larger scale a reality.

6.2 Calls for action

The following calls for action were the ones most often mentioned by the Forum participants.

Businesses should:

- Invest in collaboration with VET providers - through sector bodies, chambers etc. as well as in their capacity of individual companies;
- Initiate dialogues with VET providers about the creation of shared learning and innovation spaces;
- Support the creation of funds for apprenticeship training where such do not exist;
- Take active measures to implement quality apprenticeships;
- Large companies should consider supporting SMEs in the supply chain to introduce apprenticeship.

VET providers should:

- Engage in dialogue and collaboration with businesses and business organisational at a regional and local level in order to increase the use of work-based learning;
- Work with companies to improve the situation with respect to apprenticeships;
- Communicate clearly to companies about the division of roles and responsibilities in apprenticeships and other types of cooperation;
- Design training so that entrepreneurial skills and initiative is enhanced;
- Create incentives for students to show initiative and use problem-solving skills;
- Ensure that teachers are given the opportunities to update their technical and professional skills.

National policy makers should:

- Support the reform of VET curricula and course descriptions – including descriptions of in-company learning experiences – based on a learning outcome approach, where such an approach is not already adopted;
- Where apprenticeship schemes exist or are introduced: review regulation to ensure that it contributes to high quality of apprenticeships and also with a view to removing barriers to flexibility for schools to get involved in local partnerships;
- Involve businesses and social partners in the development of VET programmes;
- Install financial and non-financial incentives for businesses to offer work-based learning or apprenticeship schemes;
- Continue and strengthen European transparency tools with focus on integrating VET and apprenticeship schemes in qualification frameworks and creating opportunities for VET graduates to continue in higher education;
- Support lifelong learning among VET teachers and trainers;
- Promote innovation and entrepreneurship in the teaching of VET.

The EU Commission should:

- Focus on supporting Member States in implementing VET reform with a view to improving collaboration with businesses and increasing the use of apprenticeships and work-based learning.
- Continue to facilitate exchange of best practices and peer learning.
- Strengthen efforts to make the European Alliance for Apprenticeship more widely known in order that more stakeholders join the Alliance.

