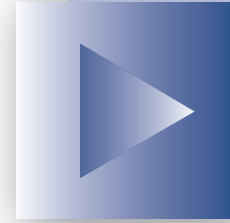


Diversity instead of competition and displacement

Diversification of in-company vocational education as a strategy for securing the skilled workforce



► This article examines the options open to companies for meeting qualifications needs, with particular attention to company-based initial and continuing vocational education and training (IVET/CVET). It presents selected results from a survey of experts which shed light on present assumptions about the trend for companies to recruit more academically qualified employees and erosion of the significance of occupational training in the workplace. The findings show that companies are increasingly relying on internal recruitment strategies and developing initiatives to combine company-based competence development with academic learning. Far from exhibiting a general bias towards academic qualifications, companies are seeking to recruit staff from diverse educational backgrounds.

Arguments from the current academic discourse in vocational education

Despite successful modernisation of the vocational education and training (VET) system over the last decade, once again the academic discourse about the effectiveness and sustainability of VET has intensified. This debate is prompted on the one hand by the higher competence requirements imposed by the expanding knowledge and service economy and, on the other hand, by a perception of graduates with Bachelor's degrees that also confer a professional qualification as potential new competitors for the same jobs as vocationally qualified skilled workers.

BAETHGE/SOLGA/WIECK (2007) start from the assumption that job-types and knowledge-forms associated with industrial production are changing with the advent of the knowledge society, such that vocational education, with its adherence to the acquisition of competence and experience-based knowledge as an integral part of the work process, is lagging ever further behind higher secondary general and university education, with their emphasis on imparting systematic knowledge. This is shown, they assert, in the recruitment practice of companies. Positions that used to be taken by skilled workers trained within the dual system are increasingly being filled with graduates from universities and universities of applied sciences. The main impacts are said to affect the middle-grade qualification tier, where competition between skilled workers with dual-system vocational qualifications and graduates with Bachelor's degrees is likely (cf. BAETHGE/SOLGA/WIECK 2007, p. 74 f.).

Arguing along similar lines, DREXEL (2010) investigates the possible consequences of an increase in university degrees for companies' recruitment practices. In her judgement, companies see academics as having special potentials – such as abstract thinking, planning skills, IT competence, social skills and certain habitual traits – which they want to utilise to a greater extent. At the same time, however, they find that recent graduates lack occupationally-relevant experiential learning and practical know-how, and want to



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prevent these shortcomings from negatively affecting business performance. According to DREXEL, companies are solving this qualification mismatch by restructuring their work organisation in the direction of (re-)Taylorisation, i. e. extricating more demanding activities from the range of tasks assigned to middle-grade positions and aggregating them to create new positions for university graduates. The middle-grade positions dismembered in this process are then aggregated into simpler mid-level positions, or else annexed to skilled-worker positions. As a consequence, it is suggested, the middle-grade tier of skilled workers could disappear, resulting in polarisation between the university-graduate and skilled-worker tiers (cf. DREXEL 2010, p. 48).

If these assumptions were correct, the consequences for the VET system would be very grave, since they imply that the significance of established development and career-advancement routes for qualified skilled workers might be eroded. This internal track proves to be a strong force for innovation in VET, since the specialists and executives who gain qualifications through upgrading training already possess application-oriented, extended and consolidated knowledge acquired through practical experience (cf. BOSCH 2010).

The BIBB project on meeting company qualification needs

So far, however, empirical VET research has found little evidence to support the thesis of any erosion of the middle-grade qualification tier or consequences for the VET system. Quite the opposite: in the field of knowledge-based services, complementary development of middle-grade and high-qualified employment can be observed (cf. DIETZEN 2010; UHLY/TROLTSCH 2009).

An ongoing BIBB study on meeting company qualification needs aims to contribute to the establishment of firmer empirical foundations in this area. It looks not only at the classic areas of company-based IVET, CVET and competence-development activities, but also at that of staff recruitment. Some preliminary findings are now available, which are based on an expert survey of company and sector representatives. It took the form of 25 semi-structured interviews with ten industry spokespeople and 15 representatives of small, medium and large companies from eleven sectors¹ in which employment expanded in the years 2003 to 2007 (cf. box).

Question-clusters from the semi-structured interviews

In addition to general information on company/sector profile, staffing structure and details about the particular interviewee, the following areas were discussed:

- General characterisation of the company/sector and its requirements and qualifications,
- Current trends,
- Typical activities and tasks,
- Demands with regard to qualification, competence and change,
- Consequences for recruitment and human resources development, experience so far with university graduates and with external staff,
- Consequences for IVET and CVET in the company,
- Decision-making processes in the company,
- Interests of the company and sector.

The described findings are based on this data material but represent only a sub-aspect of the actual research project. Currently a representative company survey is being conducted to round off the qualitative study.²

Companies' perception of the problem and options for addressing it

The views of sector and company representatives as expressed in the interviews shed some interesting light on the research rationales mentioned in the introduction. Without wishing to pre-empt particular findings, the following analysis is prefaced with the remark that, judging from the responses of the experts questioned, the trend towards more academically qualified staff and the possibility of repercussions for skilled workers with vocational qualifications is a non-issue. In contrast, the crucial question for the experts is how they can use a company-based socialisation strategy to develop qualified skilled workers from the very start, and to retain them in the medium to long term. The requisite competence profiles call for a combination of demanding standards of specialised systematic knowledge and understanding, along with strong experience-based knowledge and practical know-how relevant to the given occupation.

UPGRADING REQUIREMENTS AND MORE COMPLEX COMPETENCE DEMANDS IN ALL JOB AREAS

Those interviewed discuss the need to develop extended competences, which they bundle – for the most part separately from the required occupation-specific skills – into a range of “generic” competences or key qualifications for the workplace. While process- and customer-orientation and the associated communication skills as well as systematic thinking and the ability for self-organisation are

¹ Selected sectors: call centres, electrical, energy, health care, information technology, management/consulting, mechanical engineering, shipping/logistics, telecommunications, transport, temporary employment.

² Further information on the BIBB project “Meeting company qualification needs at skilled-worker level in growing fields of employment” (Betriebliche Qualifikationsbedarfsdeckung) can be found at www.bibb.de/de/wlk30785.htm (in German).

expected at almost all levels of work, the job profiles that are filled with university graduates are associated with heightened requirements. Some of those cited are greater systematic knowledge and meta-cognitive competences as well as management skills.

The requirements upon employees seem to be rising at all levels in equal measure. In their responses, there is no discernible indication that work profiles are being carved up to create scaled-down roles for the low qualified, on the one hand, and more demanding work profiles for the highly qualified, on the other. In fact, in certain areas where many older unskilled workers are employed – such as the transport industry, for example – companies seem to be systematically endeavouring to replace them with vocationally qualified staff as they retire. In the view of one company representative, the still very new occupation of the “Skilled Transport Employee” offers ideal conditions for future drivers to gain such a broad qualification from the outset that it will not only avert the known problem of incapacity for driving work after 25 years of service, but will at the same time impart the team- and service-orientation that is increasingly demanded in all workplaces nowadays. Because of their hybrid qualification, it will also be possible to deploy these employees in sales, public relations and vehicle servicing roles; in this way they are responding effectively to the massive shift in roles within the sector.

Since the image of the sector is not rated as very appealing, all the more is invested in high-quality IVET and CVET in order to retain people within the company and assure them of long-term prospects. Across all the sectors, in-company IVET is functioning as an important retention strategy from the very outset.

“We have already learned that if the right foundations are laid early on, something akin to – a sense of community grows, and the bond with the company is certainly deeper than for external recruits.” (Medium-sized transport company)

Apart from this, companies appreciate the ability to exert an influence on “what the young people learn,” whereas they criticise purely university-based training programmes for their lack of relevance to practice.

“And that’s what we criticise about university to some extent, that it’s often too theory-laden and simply lacks this practical relevance. We have high drop-out rates there as well. But in our apprenticeship training, I can steer things very firmly myself.” (Mechanical engineering sector)

INITIAL VOCATIONAL TRAINING AS A FOUNDATION

In general, as the above example from the transport industry shows, those surveyed advocated a type of IVET that is not too rigid in its content but imparts a solid foundation in the specialist domain of the company’s core business.

In particular, the flexibility resulting from a broad occupational profile enables companies to bolt on the required specialisations successively as the need arises, while at the same time giving young people time to identify their own personal preferences more precisely before they join the company permanently as skilled workers.

“We don’t know what the year 2040 will bring, any more than people in 1980 knew the PC would be such a big deal. We can’t show today’s trainees the technology of the future, because we don’t know what that will be. What we do know is that when they have to master the technology of 2040, a solid grounding in electro-technical skills will be important. And that’s why we lay a relatively deep, solid, heavy-duty foundation – to build on.” (Large company, energy sector)

INTERNAL PROGRESSION FOR MASTER CRAFTSMEN, BACHELORS AS NEW EXTERNAL COMPETITORS TO TECHNICIANS

In the industrial-technical sector, companies reap the benefits of their highly qualified skilled workers, many of whom will stick with tradition by following up their journeyman’s certificate, sooner or later, with a Master Craftsman’s or Technician’s examination, even if there is no immediate prospect of a job at the appropriate level. Master Craftsman positions are usually filled internally, for this function is closely dependent on precise knowledge of the company’s internal procedures and products and specific leadership competencies within the team. Technicians, on the other hand, could possibly find themselves in competition with holders of the new Bachelor degrees because of the nature of their work, which predominantly consists of theoretical and planning tasks.

“Yes, there is a typical field of work for Bachelors, which is planning. Planning networks, [...] that’s where I see a possibility that more Bachelors could also be employed rather than the Technicians of the past, who actually had their own self-chosen niche there, partly because it fitted their interests quite well. In sections of the company where the key issues are staff leadership, staff deployment, planning of practical works and projects in general, the Master Craftsman will continue to have good opportunities in future and scope for development.” (Energy company)

VOCATIONAL AND ACADEMIC TRACKS AS SEPARATE BUT COMPLEMENTARY EDUCATIONAL PATHWAYS

The interviewees’ responses make it clear that nuanced assessments regarding the qualification demands for the different job levels and fields already exist within companies, and they care about deploying their staff appropriately. Apart from achieving an efficient distribution of salary grades, they very much seek to offer employees the right degree of personal challenge. In order to have a good “qualification mix that addresses the mix of competence requi-

rements”, in the words of a spokesman from the IT sector, companies pragmatically pick and choose from the full range of qualifications on offer, be they vocational or academic, and “scale” these individually for the given field of work. A personnel development spokesman from a medium-sized mechanical engineering company also refers to the mix of dual system initial vocational training, trainee programmes, degrees from universities and universities of applied science as a “smorgasbord, the way we take people and internally place them where we want them.”

EXTERNAL RECRUITMENT CONFINED TO EXCEPTIONAL CASES AND GRADUATES

The larger and older the companies in traditional sectors such as transport, energy, metal and electrical, the more likely they are to have a repertoire of established advancement routes built around vocational qualifications. To fill skilled-worker and skilled-clerk positions, they draw exclusively from their own staff body. External recruitment is only used to attract university graduates. This applies particularly to engineers, although even here efforts are made to develop them from in-house staff if possible, for external candidates are associated with a comparatively high risk of misappointment. Moreover, it is highly desirable to have a certain percentage of graduates on the staff as “lateral thinkers” from an external background.

“That is how we add the spice, if I can call it that, to our own dual study courses, by taking candidates from technical universities; what we say about them is, we need lateral thinkers, who haven’t previously been cultivated [within the company], but have lots of work placements and experience from other companies.” (Large company, energy sector)

“More and more, we’re finding it’s a 50:50 chance whether an external recruit will or won’t work out, in whatever function. Any external appointment carries a certain degree of risk, which is why we do a great deal of development internally – from the managing director to operational managers or field technicians coming up through our junior service-engineer programme, or let’s say, the fitters in the factory starting from our own apprenticeships. The internal route is very, very important for us.” (Mechanical engineering company)

A similar situation prevails even for companies in newer industries such as the call-centre industry, where similar structures as in long established sectors are taking shape: these days, management positions are almost exclusively filled by staff promoted from the company’s own ranks. Two sector-specific training occupations have already been established, even if the sector continues to profit from the high educational status of many external entrants who have acquired their qualifications in other vocational fields.

DUAL STUDY COURSES WELCOMED AS A TAILORED ALTERNATIVE IN THE CENTRE GROUND

Generally a great interest is noted in dual courses of study and any associated cooperation with universities. The responses of those surveyed suggest that a new type of educational course is emerging which precisely meets the need for heightened qualification requirements whilst maintaining the desired contact with company practice. Dual study courses are assessed very positively because they combine theory and practice and also convey the necessary theoretical know-how for the management of technological progress. There is no perceived danger of a gradual displacement of staff with conventional dual-system qualifications. Instead, the new provision is welcomed as an answer to “the previous lack of differentiation among university graduates” (IT sector).

“Apprentices and dual students or graduates are always complementary. We envision ourselves as a fully rounded company and ultimately we aspire to have well-qualified staff at all levels. So for us there is not going to be one particular emphasis anywhere [...], but really we see them as paths of equal importance and status, running side by side.” (Large company, electrical sector)

Conclusions to inform the further debate

Companies need a diverse and flexible repertoire of options for attracting staff, adapting to changing qualification needs and developing competence. They view their own in-company initial and advanced vocational training as an important prerequisite for securing this broader flexibility within their repertoire of options. The clarity of this finding is astonishing, considering that for many years the initial and advanced vocational training system has been accused of rigidity and poor adaptability, based solely on the organisation of its structures and content (cf. BAETHGE/BAETHGE-KINSKY 1998).

The fact that human resources managers consider the dual system of initial vocational education and training to have proven its worth in practice, despite its somewhat negative reputation in the educational discourse, is not a new insight (cf. STRUCK/SIMONSON 2001). What is new, however, is that companies are initiating and refining options for career advancement which complement the classic trajectory from initial vocational training via occupational experience to upgrading training. The interviews particularly touched on dual study courses, study programmes at universities of cooperative education, and the possibility of a degree at a university of applied sciences – following on from dual system vocational training or after completion of advanced vocational training – as alternative options.

Companies seem to be making increasing use of these options, which have been available for some long time, in order to combine the advantages of an academic education with those of occupational training in the workplace so as to piece together their own internal recruitment track. In this context, the companies repeatedly emphasise the great importance of imparting experiential learning relevant to the occupation along with practical know-how, and also socialisation into the company's practices as indispensable elements of training programmes.

On the basis of the findings presented here, no indications are found of the kind of polarisation at skilled worker level that was suggested in the introduction. On the contrary, vocationally trained skilled workers are in demand in companies, and their career-advancement routes are not "obstructed." For the time being, however, it remains to be seen how the occupational positions and activities ultimately branch out at management level, and whether the advancement opportunities hitherto available to skilled workers trained via the classic dual-system vocational route remain open to them in the same form. ■

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