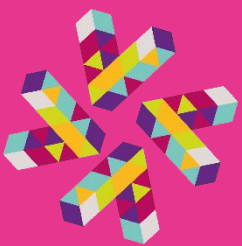




INFORMATION PACKAGE FOR SMES

WORK-BASED LEARNING & APPRENTICESHIP: A WIN-WIN SITUATION FOR LEARNERS & SMEs



Co-funded by the
Erasmus+ Programme
of the European Union



The project partnership consists of the following institutions:

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[M.K. INNOVATION LTD \(COIN\)](#), **Cyprus**

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[EUROPEAN DIGITAL LEARNING NETWORK \(DLearn\)](#), **Italy**

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This project has been funded with support from the European Commission. This publication reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein

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PURPOSE OF THE PACKAGE

The main purpose of this document is to promote our project results, inform, attract and ultimately engage the European SMEs in the supply of work based learning and apprenticeship opportunities.

By definition work-based learning is:

“Acquisition of knowledge and skills through ‘carrying out – and reflecting on – tasks in a vocational context, either at the workplace (such as alternance training) or in a VET (vocational education and training) institution”.

By definition Vocational Education and Training is:

“Vocational education and training (VET) is that part of tertiary education and training which provides accredited training in job related and technical skills. It covers a large number of careers and industries like trades and office work, retail, hospitality and technology.”

By definition apprenticeship is:

“Systematic, long-term training alternating periods at the workplace and in an educational institution or training centre. The apprentice is contractually linked to the employer and receives remuneration (wage or allowance). The employer assumes responsibility”.
Work-based learning (WBL) is an umbrella term, which describes a set of learning programmes that include apprenticeships, traineeships and internships.



The “RoI of WBL and apprenticeships” proposes a model of costs and social benefits of the SMEs - European small and medium enterprises regarding their investments, or not, in WBL - Work based learning and the apprenticeship courses.



If you are an SME who want to better understand and apply WBL and apprenticeship in your business, we can help you do it efficiently and effectively.

SMEs are Europe’s motor for growth and employment. They represent 99% of all businesses in the EU and account for two thirds of EU28 employment. The availability of skilled labour is an important prerequisite to their prosperity. Nonetheless, there is often a mismatch between the skills the labour market demands and those that the education and training system provides.

Apprenticeships and WBL provide an option to address the mismatch of skills. Doing so will entail costs to the SME, but also provide a range of associated benefits. It is therefore important to communicate these to provide SME decision makers with information that can assist in their decisions to engage with these practices.

In general, companies face challenges related to apprenticeships such as administrative tasks, organising apprenticeship trainers, cooperation with VET schools, etc. In most cases, companies prefer to hire a skilled worker rather than to train one because apprenticeships require time, money and human resources. Such resources are scarce, in particular in SMEs.

ABOUT ROI



The SMEs' awareness of the cost-benefit analysis deriving from the work-based learning is therefore crucial in order to determine their participation to the apprenticeship system.

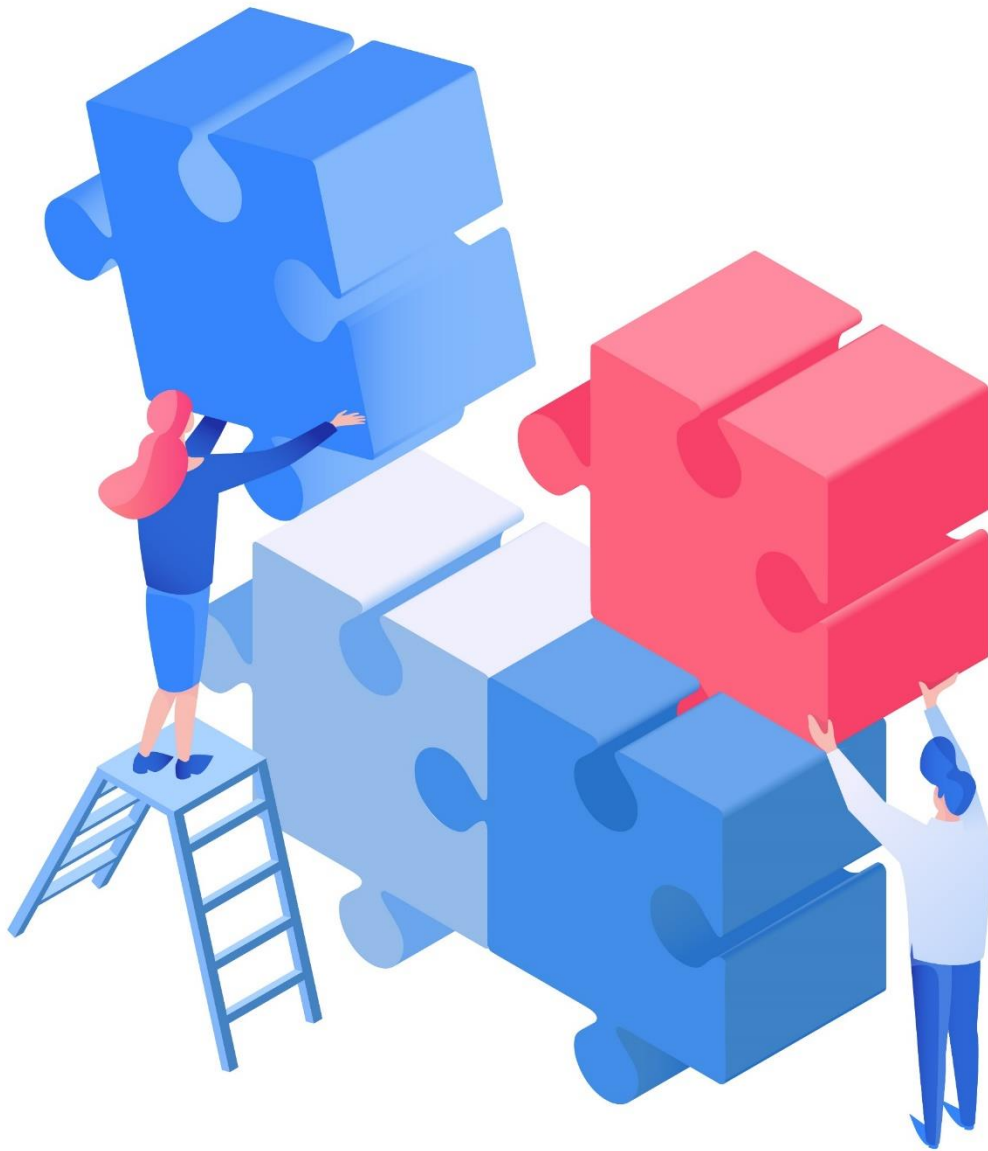
Based on this need, project "Return on Investment of Work Based learning and apprenticeships" (project No.: 2017-1-SK01-KA202-035375) suggests the development of a return on investment (RoI) model and digital tool that will allow European SMEs to calculate and visualise how investment on WBL and apprenticeships can manifest to multiple benefits.

The project outputs are as follow:

- A model for the calculation of RoI of WBL and apprenticeships by SMEs
- A digital tool that will demonstrate in visual way the RoI model
- A Good Practices Guide addressed to SMEs, giving guidance on how to design, implement and monitor profitable apprenticeship practices which can benefit the enterprise, the apprentice and the entire society.

All outputs and results of the project are published on the website: www.roiwbl.eu

The project is implemented from November 2017 till October 2019 by 8 partners from 8 different EU countries in order to create results that will have European wide applicability and impact, including countries that are still lacking in the engagement of SMEs in WBL (Slovakia, Spain, Portugal, Greece, Bulgaria), taking benefit from countries that are more advanced (UK and Italy) and using the technological know-how of others (Cyprus).



BEST PRACTICES OF SELECTED COUNTRIES

Austria and Germany are countries with demand-led systems and a high level of employer commitment to VET. In contrast, the UK can be defined as a supply-led system in which training places are offered mostly because training providers approach employers and ask for openings

AUSTRIA

Companies constitute the core of apprenticeship systems, as the major part of an apprentice' training occurs in a company supported by apprenticeship training agreements and in-company trainers. There is a diversity of pathways with different VET programmes and area specialisations which reveals the special importance of VET in Austria. Another indication of the great importance of VET is its attractiveness to young people.

Apprenticeship training takes place at two places of learning: in the training company and at part-time vocational school (hence the term 'dual' system). CVET in companies is of great importance.

The Regional Economic Chambers, often in cooperation with the provincial government or the Chamber of Labour, have set-up special entities to facilitate the formation of training alliances by providing information on possible partner enterprises, educational institutions and finding suitable apprentices.

GERMANY

Germany is traditionally strong in VET. Apprenticeship in the dual system is the main pathway into employment for young people. Many companies consider training as a social task and take pride in being a training company. Because of the importance of apprenticeships for the economy the German government puts a high emphasis on the promotion of the system. Estimations suggest that 76% of resources devoted to apprentices come from the enterprises.

The regulation of the in-company part of the dual apprenticeship training is the only direct competence area of the federal government within the field of education. It addresses the challenges through initiatives and programmes. The offer of training placements is the decision of the company and subject to market conditions.

In Germany, there are companies that engage in apprenticeship to take over later on the worker for a regular work contract, because it is part of the human resource planning strategy, therefore, apprenticeship is seen as an investment.

UK

In the UK, skills are delivered through a range of organisations within the technical and vocational education and training (TVET) sector. In order to meet the needs of SMEs the government has a strong focus on engaging employers in both the design and delivery of TVET. Employers provide on and off the job training opportunities often using apprenticeships. Usually training is directly related to the job role and the needs of the organisation.

Employers influence within the system through:

- Sector skills organisations
- Industrial partnerships
- Reform to apprenticeships through trailblazer apprenticeships

Employers in UK influence institutions through:

- Further Education College Governance
- Sponsorship of University Technical Colleges
- Management of Career Colleges

The practice of UK shows also that employers, including SMEs are actively involved in the delivery of TVET by contributing to the curriculum, mentorship, providing work experience. They are active in the development of partnerships with VET and educational institutions.

PROJECT PARTNERS COUNTRY ANALYSIS



In the partnering countries included in our research work-based learning (WBL) and apprenticeships are associated with practical training of students in companies

- SMEs are not fully realizing and exploring the opportunities and benefits of work-based learning and apprenticeships
- One key strength is the support of the government and the systematic approach of all partners involved in VET
- The active participation of SMEs as the backbone of EU member states' economy is of high importance and a vital condition for matching supply and demand of skills



BULGARIA

Bulgaria has undergone a significant economic transformation over the past three decades. The country still has a problem with youth unemployment and also a high rate of early school leavers from education and training. Therefore, Bulgaria seeks to modify the education system with the active participation of the business, especially SMEs. Vocational training oriented to the labour market is the basis of the reform of the Bulgarian education system. The aim is to find a match of the skills needed by the private sector and those developed by the education system and to improve conditions for quality VET.

GREECE

Greece is the largest economy in the Balkans, and an important regional investor. In Greece there is a problem with unemployment and a large proportion of unemployed people are graduates of secondary schools and universities. Greece seeks to improve the education system and training. The major weaknesses and challenges in the field of VET in Greece can be summarized as follows: a) Higher dropout rates in comparison with General Education, b) multiplicity and complexity of legal framework, c) lack of continuity and focus in the design and implementation of VET related policies and d) problematic linkage with the labour market. VET is in the process of transformation in Greece.

PORTUGAL

Portugal is a developed country with a high-income, advanced market economy and high living standards. Low level of education is one of the key factors explaining the lack of productivity of Portugal compared to the European partners. Despite the fact that a National Qualification System has been set up to help develop VET, the number of young people enrolled in vocational education and training in Portugal remains low when comparing to general studies but the number of Adults enrolled in VET is very high (around 65%) comparing to general education or other forms of qualification. The central government has an overall responsibility for vocational education and training in Portugal.

SLOVAKIA

Being among the most open in the EU and with a high employment share in manufacturing cars and electronics, its economy relies heavily on vocationally skilled people. The Slovakian business is heavily dependent on SMEs as they provide 72 % of employment and 67 % of value added, well above the respective EU averages of 67 % and 58 %. Slovakia has a strong VET tradition, with about 70% of all upper secondary learners participating in VET programmes. VET institutions build on a long tradition that provides for a strong link between VET schools and SMEs.

SPAIN

The country shows a systematic and holistic approach to encourage SMEs engagement in VET and its diverse forms. The creation of the Spanish VET National Qualification System consolidated the systemic approach to vocational education and unified programmes aimed at creating and linking future skilled workers, quality training provision and the workplace. As part of employment policies, several measures have been taken to tackle high unemployment due to economic crisis; the effectiveness of these measures is part of the political debate. The framework for the collaboration between training centres and companies is established by the corresponding Educational Ministry in each autonomous region.

ITALY

The Italian economy is one of the biggest in the world for exports and it is dominated by SMEs. VET in Italy focuses mainly on services, manufacturing and construction. Over the last 10 years, many laws concerning the apprenticeship have been approved at national and regional level. Introducing continuous changes often applied in non-homogeneous manners, these laws increased confusion, both in students and companies, instead of supporting the apprenticeship diffusion. The most recent reform (2014) focuses mainly on adjusting the work contract system. The aim is to create a unified system of employment contracts to help with employment.

KEY FINDINGS

- National policy and legislation are one of the key success factors that affect the decisions of SMEs about WBL and apprenticeship.
- SMEs have their own institutional policy on WBL and/or apprenticeships.
- WBL and apprenticeships can contribute to the decrease of skills mismatch and lack of talent.
- There is a lack of structures in the system of communication and cooperation between VETs and SMEs.
- WBL gives the opportunity to get to know future employees and decrease the talent acquisition costs.



ECONOMIC BENEFITS FOR SMEs

- ✓ a positive impact on organisation's performance
- ✓ contributes to reducing the cost of external recruitment and internal induction (introducing staff to a new job and organisation)
- ✓ enhances company image and reputation
- ✓ increases staff retention and work satisfaction
- ✓ provides an effective way for adequate skills supply of skills
- ✓ a better employee candidate pool, leading to lower future training costs
- ✓ availability of skilled workers by investing in the future workforce
- ✓ enhances organisation's profitability
- ✓ increased levels of innovation - trainees bring innovation into the experience, in particular digital skills and open innovation
- ✓ knowledge about the latest trends, i.e. young people bring fresh ideas and challenge old habits.

ADDITIONAL BENEFITS

- ✓ increases employability and fostering the acquisition of key competences and employability skills
- ✓ contribution for education system that meets the requirements of the business
- ✓ reduced youth unemployment
- ✓ increased social responsibility
- ✓ higher social integration and inclusion at national level
- ✓ a better social cohesion and cooperation at regional level
- ✓ preparation of qualified mentors and trainers
- ✓ higher economic return through reducing public expenditure and freeing up funds for other priorities
- ✓ improved intergenerational exchange
- ✓ improved active citizenship

***HAVE YOU CONSIDERED THESE
BENEFITS FOR YOUR BUSINESS?***

STRONGER EMPLOYER BRAND

HIGHER PRODUCTIVITY

DECREASE OF TALENT ACQUISITION COSTS

HIGHER INNOVATION CAPACITY

GROW YOUR OWN TALENT IN-HOUSE

INCREASED RETENTION RATE