pilotproject „Young Stars“

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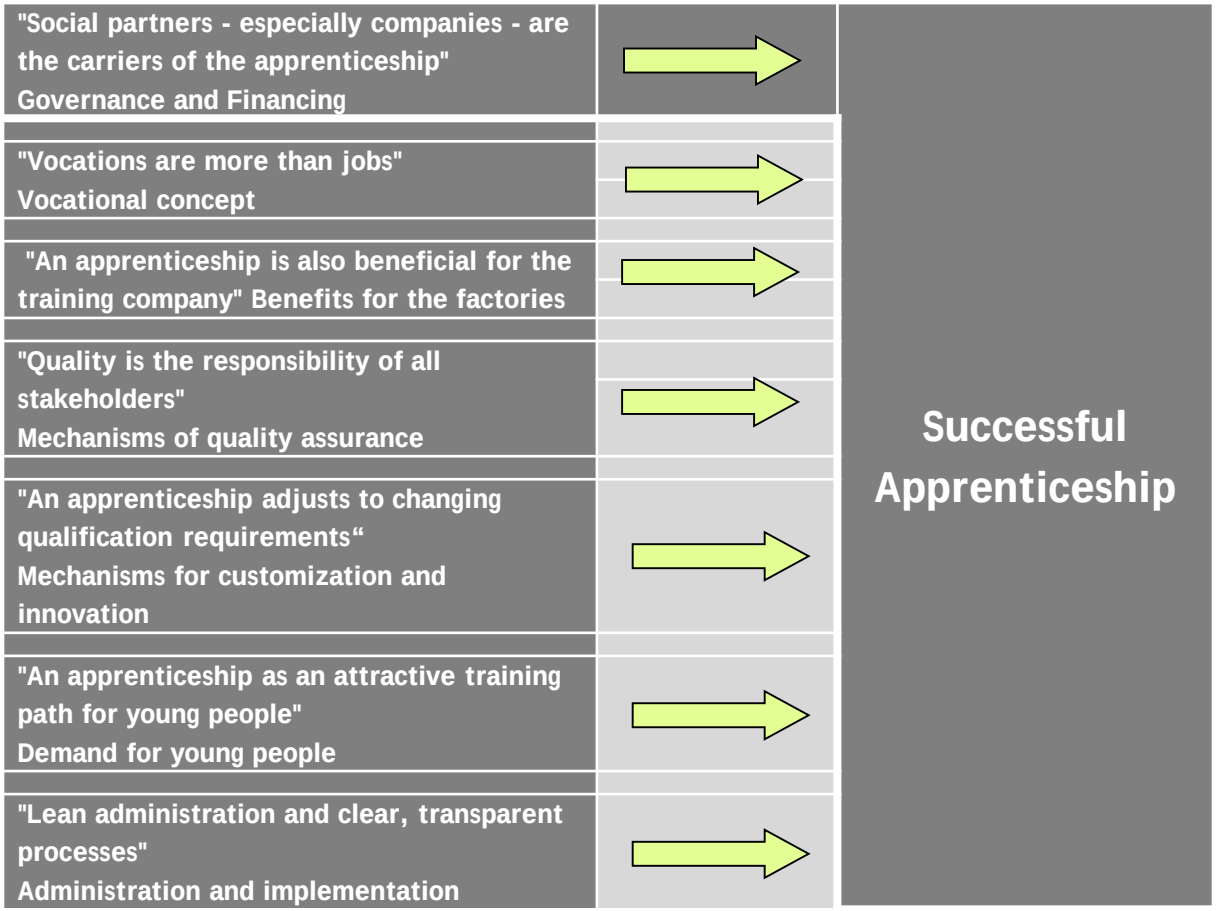
background / motivation

- concrete need for action of Austrian companies located in Slovakia based on the increasing demand for skilled workers (metal treatment / metal technology)
- willingness to support the introduction of elements of dual system in legislation
- concrete know how transfer in the field of apprenticeship system

7 success factors



pilotproject young stars

consortium consisting of:

- 8 companies in the field of automotive industry and its components suppliers (200-1200 employees)
- Austrian Federal Economic chamber
- Ministry of Education of SR
- SIOV
- SOPK - Slovenská obchodná a priemyselná komora
- ZAP - Automotive Industry Association of Slovak Republic
- Nitra Self-governing region, department of education, youth, sport and culture
- VET school “Stredná odborná škola technická” in Zlaté Moravce

basic facts

- implementation of dual training elements within the existing legal framework:
  - 40 % theoretical training in the school
  - 60 % practical training in the company

  - Adaptation of the existing curricula due to the needs of the companies in the frame of the flexibility of existing state curricula
  - vocations in the field of :

    mechatronics (Mechanic – mechatronics engineer)

    metall technology (Programmer of processing machines, welding machines and equipment)

    -> certificates:

    graduation exam and certificate of apprenticeship

basic facts

- Goal: to maximize the share of practical training
- To implement the main characteristics of the dual vocational training in the local system
  - Apprenticeship remuneration
  - trainer in the company
  - Basic equipment (depending on the respective apprenticeship)
  - Apprenticeship contract with the company and at the same time students of the vocational school
  - Adaptation of the curriculum based on the needs of the company
  - Final apprenticeship exam prepared and carried out by experts

practical examples – Framework Conditions 1

- Framework conditions/prerequisites for a pilot project
  - Various interested companies
  - Short geographical distance
  - Agreeing on a common apprenticeship programme (vocation)
  - A minimum number of apprentices per year
  - A multi-annual commitment
  - The willingness to cooperate with schools/ministries
  - => characteristics of a pilot project: legal questions, developing curriculums

practical examples: Framework Conditions 2

- Company-based training:
  - Human resources
  - Equipment for the on-the-job training within the company
- Trainers: joint preparation
- Contracts:
  - A standard contract: school - company
  - A standard apprenticeship contract: company - apprentice
- Joint search for / recruitment of apprentices
- Continual adaptation of the curricula

The role of the WKÖ

- Close cooperation with the ministry / the authorities
- Selection of the school
- Contracts / framework conditions:
  - Curriculum: comparisons, translations, coordination of the overall design, teaching material
  - Contracts: company – apprentice
    school – companies
- legal expertise (taxes etc)
- support in the field of career guidance, recruiting
- On-site project management
- financing: in the frame of the initiative Go international of the Ministry of Economy and WKÖ

Dual vocational training at Miba

…does dual vocational training represent a financial burden or does it save money in the long term?

Cost structure of retraining an employee from a non-technological field:

1. Time of training (CNC processing):
   - 1 technology =>
     approximately 9-12 months
   - 5 technologies =>
     approximately 18-24 months
2. Time of the instructor – 2 years of retraining = 20 % of the working time (5 months)
3. Productive work after the first year
4. Remuneration for the productive work:
   - 100 % of wages + contributions starting on the first day of work
5. Investments: none
6. Total costs :
   - 24 months x 1,000.- €
   - 24 months x 20 % of the wage of the instructor
   - additional costs (illnesses, visits to the doctor, vacations, holidays, etc.)

• total costs**: 31,500.- €**

Cost structure of getting a new employee from the dual vocational training system:

1. Overall time of dual vocational training:
   - apprenticeships - 36 months
   - apprenticeship programmes with secondary school leaving certificate - 48 months
2. Time of the instructor = 100 %
3. Productive work after the second year of the apprenticeship (partially)
4. Remuneration for the productive work
   - 60 % of the minimum wage per hours worked
5. Investments: 65,000.- € (of which equipment costs 25,000.- €)
6. Total costs:
   - 10 months x (40 € scholarship + 150 € instructor)
   - 10 months x (60 € scholarship + 75 € instructor)
   - 10 months x (80 € scholarship + 100 € instructor)
   - 10 months x (100 € scholarship + 75 € instructor)
   - no additional costs (illnesses, visits to the doctor, vacations, holidays, etc.)

• total costs : 6,800.- €

Dual vocational training at Miba

… does dual vocational training represent a financial burden or does it save money in the long term?

Risks / Advantages in the case of retraining an employee from a non-technological field:

1. Risks:

- Choosing an unsuited candidate, **the success ratio in the case of retraining ranks at only 20 % at Miba**
- **High turnover rate** (after the retraining)
- Even after a retraining/training of two years it is not possible to reach the skill level of an apprentice from the dual system (e.g. the profession - CNC-programmer), the person is not yet fully integrated into the corporate culture

2. Advantages

- A relatively fast and flexible way of securing a workforce

Risks / Advantages in the case of a new employee from the dual vocational training system:

1. Risks:

- Minimal (according to the cooperation agreement with the school, unsuited apprentices can be eliminated from the dual system)
- Miba AG's experience – almost 100 % of the graduates stay in the company after completing their apprenticeship (new legislation makes stabilisation agreements of two to three years possible)

2. Advantages:

- Skilled professionals – CNC programmers
- Technological know-how according to the demands of the company
- Long-term securing of skilled professionals through planning
- The graduate is a co-worker and has gone through four years of soft skills training and has gotten acquainted with the corporate culture
- Highly motivational for employees – growth from within their own ranks – the employees are highly committed

the first students in MIBA