

THE COST EFFECTIVENESS OF APPRENTICESHIP SCHEMES – MAKING THE BUSINESS CASE FOR APPRENTICESHIPS

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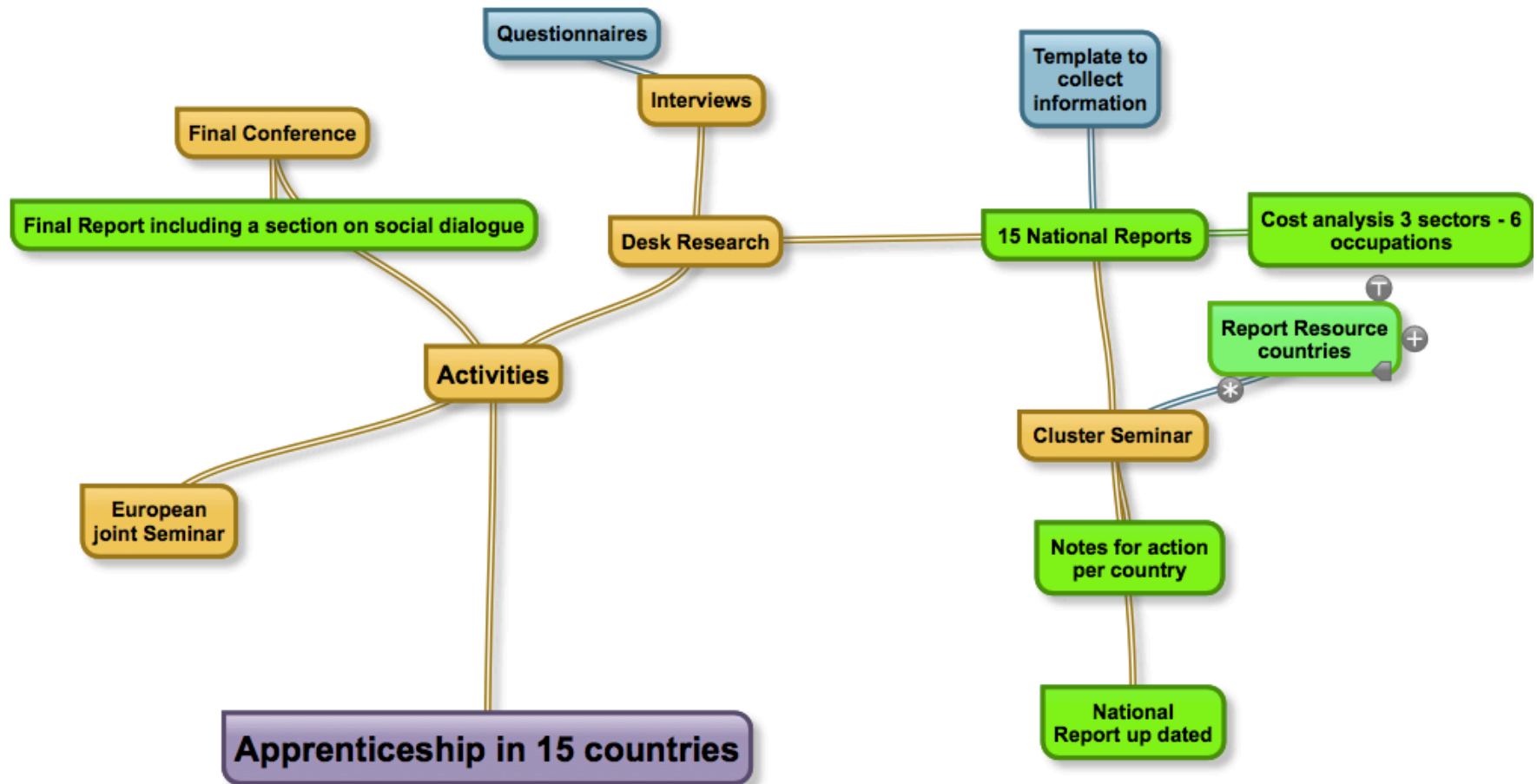
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The cost effectiveness of apprenticeship schemes – making the business case for apprenticeships

Cluster seminar objectives:

- Support national employers in France, Italy and Poland to make concrete improvements;
- Learn more about the resource countries – DE,AT, DK,SW,NL
- Collect more information to the national reports
- Challenges about cost-effectiveness for employers
- Potential further actions

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Starting Point

- Identifying the current ‘state of play’ + reforms in 15 target countries
- Collection of examples of effective practice and policy

→ Outputs until now

- 1 questionnaire to BUSINESSEUROPE, CEEP, UEAPME members
- Sectorial questionnaires to CEEMET, EUROCOMMERCE, DIGITALEUROPE, ERT, EUproVET, EFVET members
- 9 national reports
- 1 on line questionnaire
- 3 cluster seminars

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- **Listen employers**
- Questionnaires on line - **26 answers** from Germany, Finland, Slovakia, Czech Republic, Portugal, Greece, Poland, Bulgaria and Latvia companies; SME's and large
- Interviews with relevant stakeholders
- Case studies
- a cost benefit analysis for occupations in the three sectors (ICT, commerce and engineering);

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imanovation
networking for knowledge

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This project is being organized with the financial support of the European Commission.

Section 1

Led by BUSINESSEUROPE – the confederation of European business – the following organisations are working together to review the cost effectiveness of apprenticeship schemes in 15 countries in Europe: CEEP, UEAPME; European Roundtable of Industrialists, EUROCOMMERCE, CEEMET, DIGITALEUROPE, and the organisations for vocational education and training providers at European level - EUproVET and EFVET.

As part of this work, they have asked Imanovation to organise an on-line survey of the costs and benefits for employers of taking apprentices. The survey will be complemented by interviews with employers from each country.

This study is focusing on apprentices in three sectors: ICT; the commerce and engineering. You have been suggested by one of the European employers' organisations as someone who may be able to help with this on-line survey. It would be very helpful if you could complete the following short on-line survey. If you are willing to be interviewed about your experiences of the benefits to employers of training apprentices, please let us know. We will then organise the interview in person or via Skype or telephone.

Many thanks for helping us with this study on the cost effectiveness of apprenticeship schemes in Europe.

The data are only collected for the proposed event. It will not't be used for any other purpose.

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3. In which sector do your apprentices work?

ICT

Commercial

Engineering

4. If your company trains apprentices in the ICT sector, which occupations are covered?

- cyber security specialist
- big data manager
- neither of these occupations

5. If your company trains apprentices in the commercial sector, which occupations are covered?

- storemen/women in the wholesale sector
- retail assistants
- retail managers
- none of these occupations

6. If your company trains apprentices in the engineering sector, which occupations are covered?

- car mechanics
- IT technicians in the engineering sector

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- **First results:**
- Apprentices are often a way of filling ‘hard-to-recruit’ positions and is an effective way to identify/test/recruit new members of staff
- The apprentices’ training is mainly provided by ordinary members of staff (they are not trained by special trainers)
- The cost of the company’s training varies depending on the apprentice’s occupation
- Everyone thought the financial benefits exceeded the costs

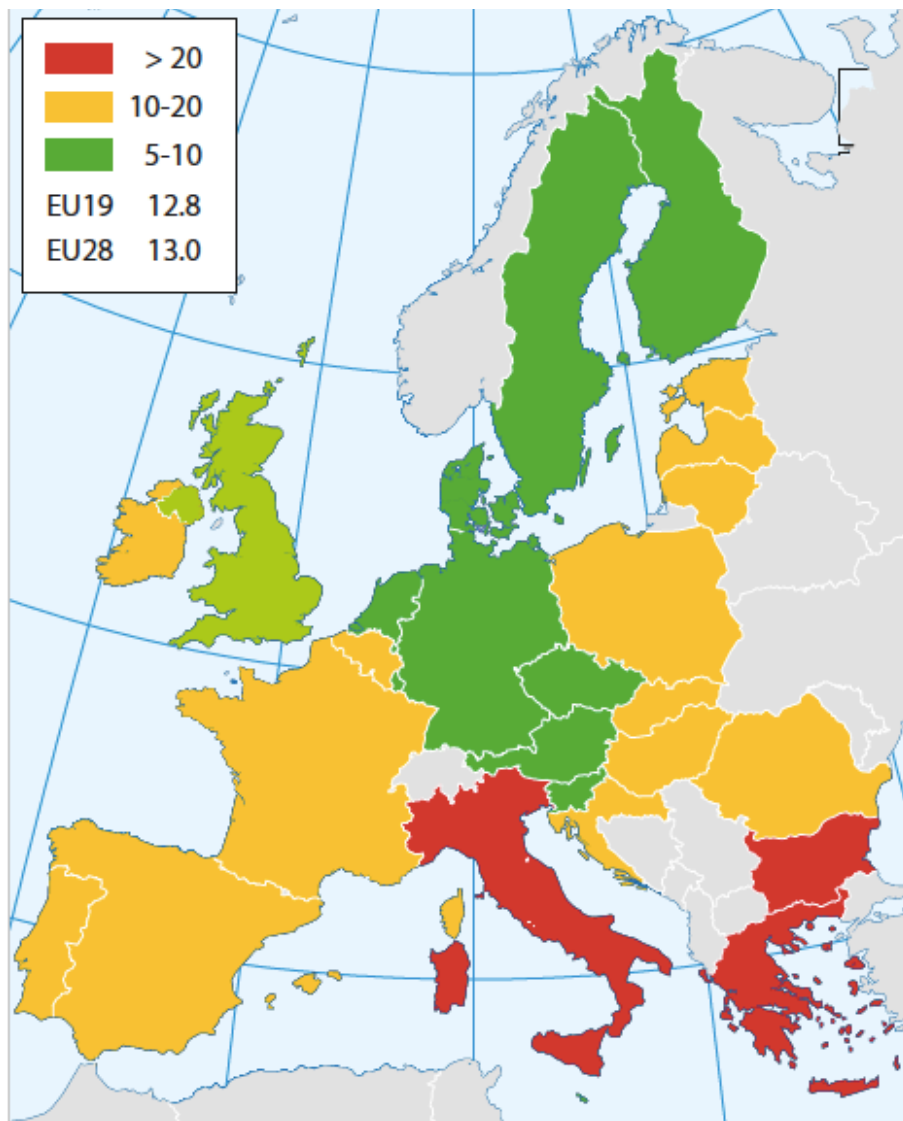
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Main points for today:

FR/ IT/ PL

- National Reports
 - Context – Reforms – Role of Social Partners
 - About cost effectiveness
 - Food for thought

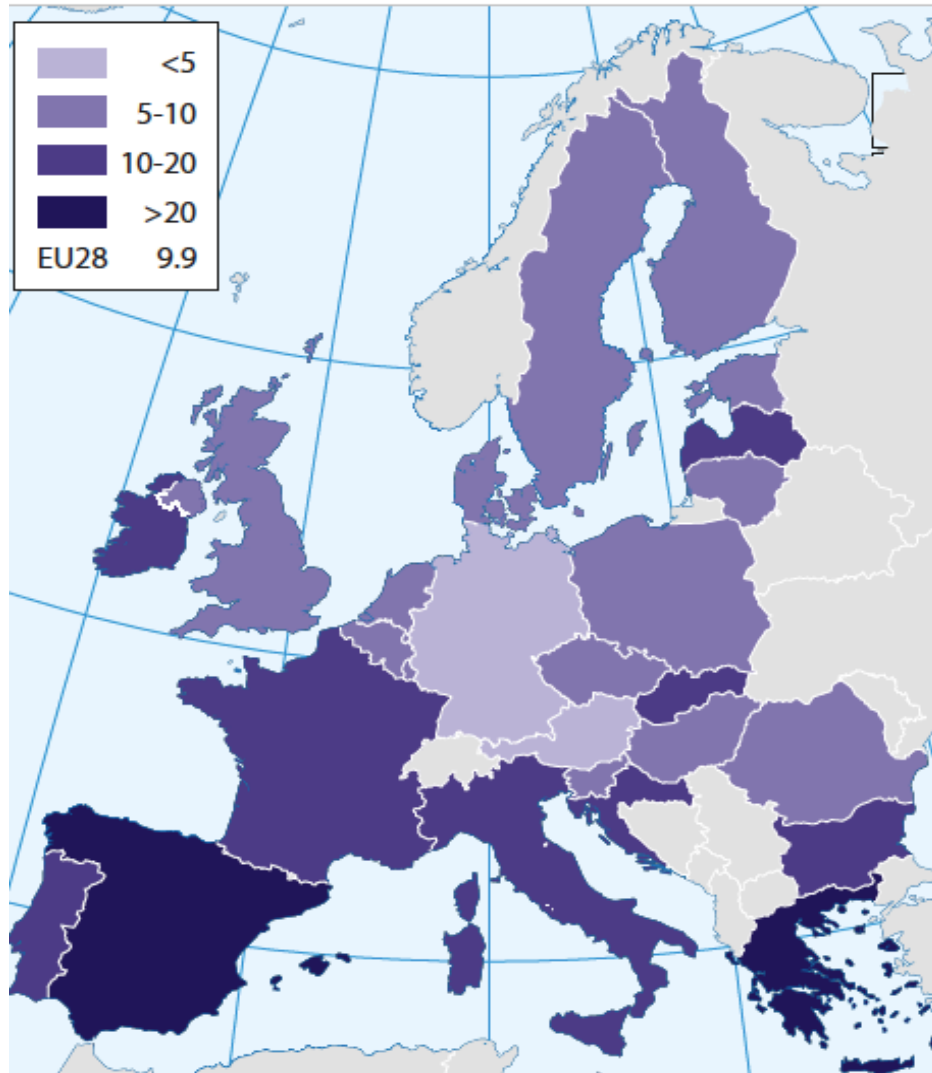
NEET'S 2013 *Eurostat 2014*



| | |
|------|------|
| AT | 7.1 |
| BE | 12.7 |
| BG | 21.6 |
| CY | 18.7 |
| CZ | 9.1 |
| DK | 6.0 |
| DE | 6.3 |
| EE | 11.3 |
| EL | 20.4 |
| ES | 18.6 |
| FI | 9.3 |
| FR | 11.2 |
| HR | 19.6 |
| HU | 15.4 |
| IE | 16.1 |
| IT | 22.2 |
| LT | 11.1 |
| LU | 5.0 |
| LV | 13.0 |
| MT | 10.0 |
| NL | 5.1 |
| PL | 12.2 |
| PT | 14.1 |
| RO | 17.2 |
| SE | 7.5 |
| SI | 9.2 |
| SK | 13.7 |
| UK | 13.3 |
| EU28 | 13.0 |
| EU19 | 12.8 |

Unemployment rate (Dec.2014)

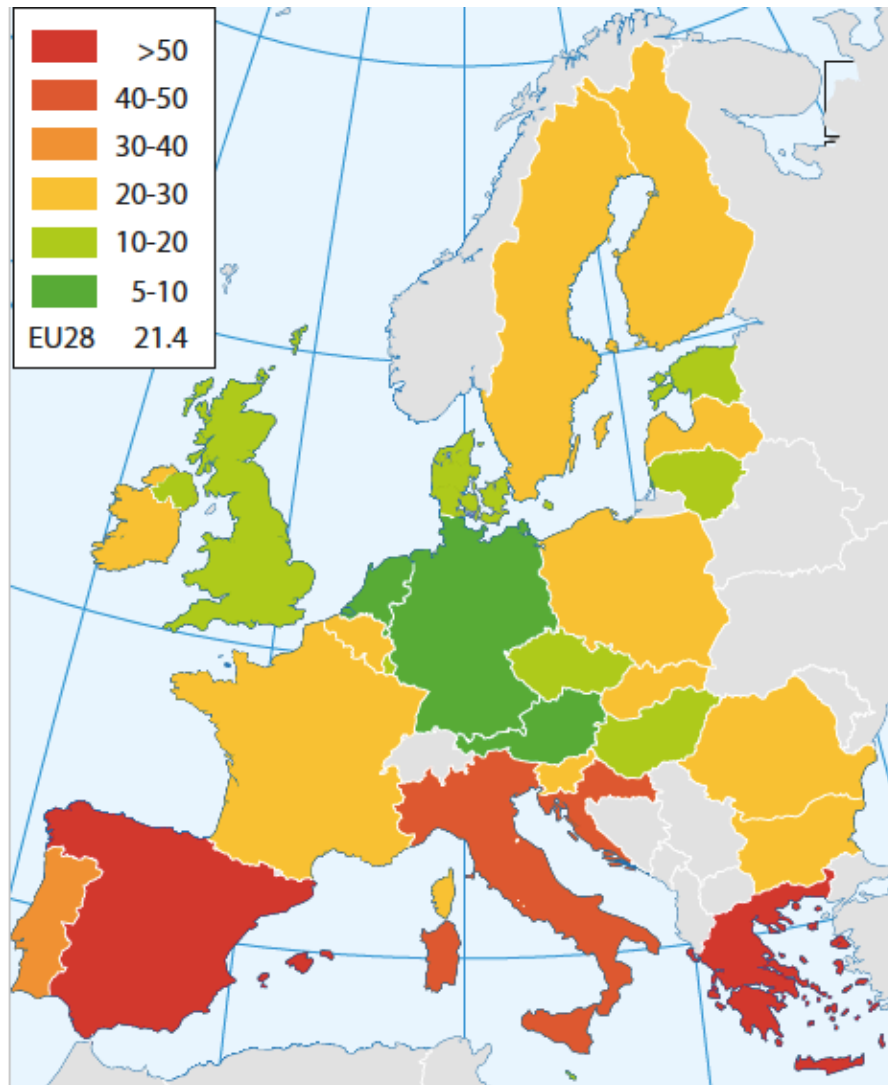
Eurostat 2015



| | |
|------|------|
| AT | 4.9 |
| BE | 8.4 |
| BG | 10.8 |
| CY | 16.4 |
| CZ | 5.8 |
| DK | 6.4 |
| DE | 4.8 |
| EE | 6.6 |
| EL | 25.8 |
| ES | 23.7 |
| FI | 8.9 |
| FR | 10.3 |
| HR | 16.4 |
| HU | 7.3 |
| IE | 10.5 |
| IT | 12.9 |
| LT | 9.4 |
| LU | 5.9 |
| LV | 10.7 |
| MT | 5.8 |
| NL | 6.7 |
| PL | 8.0 |
| PT | 13.4 |
| RO | 6.4 |
| SE | 7.8 |
| SI | 9.7 |
| SK | 12.5 |
| UK | 5.9 |
| EU28 | 9.9 |
| EU19 | 11.3 |

Youth (under 25) unemployment rate Dec.2014

Eurostat 2015



| | |
|------|------|
| AT | 9.0 |
| BE | 21.9 |
| BG | 21.6 |
| CY | 32.8 |
| CZ | 14.3 |
| DK | 11.0 |
| DE | 7.2 |
| EE | 13.4 |
| EL | 50.6 |
| ES | 51.4 |
| FI | 21.2 |
| FR | 25.2 |
| HR | 44.8 |
| HU | 18.9 |
| IE | 21.6 |
| IT | 42.0 |
| LT | 16.5 |
| LU | 18.2 |
| LV | 20.2 |
| MT | 13.2 |
| NL | 9.6 |
| PL | 22.6 |
| PT | 34.5 |
| RO | 23.3 |
| SE | 22.5 |
| SI | 24.1 |
| SK | 28.9 |
| UK | 16.7 |
| EU28 | 21.4 |
| EU19 | 23.0 |

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3 countries - **France/Italy/Poland**

- On going reforms
- VET and Apprenticeship as national priority in the 3 countries
- Involvement of employers at different levels
- difficult to find young people with the right skills
- Strong SME's participation – financing (SS/ reimbursement)
- Communication campaigns to young people/ families and enterprises (Portal)

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- **France** – Apprenticeship as a way of achieve a recognised qualification; All the levels; Long tradition and well structure ; multi actors (Regions; State; Social Partners; Companies(*taux d'apprentissage*); Chambers).Employment Contract(student and employee)receiving a salary.



Quantitative goals (500.000 apprentices) ; Involvement of Public Sector; Promotion of Apprenticeship removing obstacles


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- **Italy** – Apprenticeship is a way of access to labour market. Many levels of governance (National; regional and local) 3 types of Apprenticeship but Professional (95%) is the most important. Employment contract with salary. Apprentice is an employee with a specific training programme.



- Apprenticeship against unemployment; reduction of formalities to enterprises; acting against the fallen of the number of contracts

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- **Poland** – 2 forms of Apprenticeship – occupational training and training to a specific job. Double statute employee and student. Governance in 5 levels national, regional, district, local and school.

- Mismatch Education/ labour market. Restoring VET value. LO approach and assessment process. Permeability of the system. Quality challenge.

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- **About cost effectiveness**
- Benefits to society, individuals and enterprises
- Enterprises has a limited ability to control the benefits
- Costs depending on the occupation
- The rate of return on investment depends on the size of the enterprise, level of engagement and branch of business.

Challenges

WBL as an effective practice

Qualifications designed in Learning Outcomes
A bridge between education and Labour market

Sectors responsibility to translate needs in LO

Match demands and needs – role of social partners

Stronger Partnerships
companies/
education providers

Challenges

Guidance for young people – demographic aspect

Involvement of companies – drivers of change

Updated data to *monitoring* the system to a better management

Stronger engagement of teachers and trainers

Marketing to families and young's – fill the gap young's expectations and labour market expectations