

*Klaus Schaack*  
*Why do German Companies*  
*Invest in Apprenticeships?*

*For Lukas*

Klaus Schaack

# Why Do German Companies Invest in Apprenticeships?

The “Dual System” Revisited



KLAUS SCHWARZ VERLAG • BERLIN

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## Foreword

Within UNESCO, the UNESCO-UNEVOC International Centre for Technical and Vocational Education and Training (TVET) serves as a laboratory of knowledge and information on TVET with a particular reference to innovative and best practices in education for the world of work.

To facilitate exchange of this information and knowledge, UNESCO-UNEVOC is in the process of developing an extensive publications programme. The purpose of this programme is to acquaint education decision-makers and policy-makers with innovations, best practices and cutting-edge developments in TVET, to help develop and renew education systems in Member States to achieve greater quality, equity and relevance in their TVET programmes.

In compliance with its methods and purposes, UNESCO-UNEVOC has supported the preparation of this essay. The essay is an attempt to understand the German apprenticeship system, known as 'the dual system of vocational education and training', as a phenomenon embedded in a particular political, economic, cultural and educational environment.

One of the main issues explored in the essay is the investment behaviour of German companies with regard to financing training programmes. Despite a widespread perception among international TVET experts that companies usually do not invest in entry-level vocational training, German companies have been admired for their often lavish funding of training. The 'dual system' became a blueprint for many international efforts, mostly governmental in nature, designed to emulate the German training system. Unfortunately, due attention was not always paid to the conditions behind the success of the dual system. Both inside and outside Germany, there have been difficulties in understanding why German companies' investment behaviour deviates so sharply from international patterns of financing training programmes.

To understand the reasons why German companies invest in apprenticeships, this essay explores salient features of German apprenticeships in order to analyze how they interact with their political, cultural, social, educational and economic environment. The essay

also examines the purpose-oriented design and planning of the German concept of 'Apprenticeship', a system which in Germany has been successful by tradition, with the result that its tertiary education sector is much smaller than comparable sectors in other economically advanced countries.

While the transfer of 'dual system' from Germany to other countries has been rarely successful, one basic feature of the system is still attractive to many policy-makers and training experts around the world – that is, the linkage between training (or TVET) institutions and the companies and/or the labour market, in addition to the concomitant practice-oriented nature of training.

In order to identify the main features of the complexity of the German 'Apprenticeship' concept, the author reviews several important traits of the German political system and the German political economy. He also examines the German education and training system, which gradually emerged during the foundation years of Germany's economic dynamism in the second half of the 19th century, as well as after World Wars I and II.

The author asserts that philosophical and biological concepts and theories of society are still enshrined in structures which came into existence in former times, and which still show a remarkable capacity to persist even under conditions of a so-called 'knowledge-based economy and society'. The text presented here contributes to the literature on 'Varieties of Capitalism' (in addition to 'Varieties of Democracy') from the angle of training, supporting the concept that different balances between political and economic values in different societies have effects on political, and education and training systems.

The author further argues that the notion of a 'Dual System', which underlies the German concept of apprenticeship, refers not only to the interplay of company-based training that is enhanced by vocational school education, but also to the intricate relationship between the companies' political and economic interests.

The chapter on financing of training is particularly interesting because it attempts to explain the 'miracle' of financing in an unorthodox way. While this is true for many countries, Germany's political and social landscape offers special opportunities to the private sector to shape the younger generation – a fact which does not appear to be fully understood internationally. The author argues that compa-

nies have wider interests than just profit-making, and explores how these interests find expression in companies' and private sector education and training policies. German companies take on apprentices not so much for economic, social responsibility or for image improvement reasons, but rather do so because of the privilege of designing and implementing mass-relevant training standards, and shaping the skills, competences, attitudes and mentalities of the younger generation. This feature is particularly relevant to the role of apprentice training in German politics and economy.

The final chapter speculates about the future of Germany's economic development. It takes fundamental educational reform as one of the prerequisites for a return to a fully-fledged economic dynamism and as one of the conditions required to successfully combat unemployment.

The author emphasizes that the German model of vocational apprenticeship is a particular but, nevertheless, exemplary model of vocational apprenticeship, because its concept is considered to be useful for handing down technical competences in a number of labour market niches as well as on a mass scale to the labour market in general. At the same time, he highlights the importance of the tertiary education sector as a necessary means to future German economic performance in a period of increasingly knowledge-based processes.

This publication can be employed as a reference for explaining the virtues and flaws of the German educational system in general, and its repercussions on German economy and society. It also teaches that training should be understood in the context of its wider environment, rather than merely through analyzing or comparing isolated training models.

This essay will be useful to individuals and institutions engaged in TVET who wish to gain information on the German model of apprenticeship, including its history and politics and especially with regard to the purpose of the German approach to apprenticeship.

A short version of this essay will also be published in the UNESCO-UNEVOC International Handbook of Education for the Changing World of Work which will appear at the end of 2008.

On behalf of UNESCO-UNEVOC, I wish to acknowledge the tremendous expertise and commitment of the author, Mr Klaus Schaack, and thank him for his efforts in bringing this essay to a fruit-

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*Rupert Maclean*

Director

UNESCO-UNEVOC International Centre

for Technical and Vocational Education and Training

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Of course, the author is entirely responsible for the remaining weaknesses and mistakes of the essay.

*Klaus Schaack*

## Introduction

*The past is not dead. It's not even the past.*

William Faulkner

Mass apprenticeship “systems” offer training on very different levels of quality for a number of economic sectors. Training quality may vary between very distant extremes and offer bright future perspectives for some, but not for others. Apprenticeships and the employment of helpers can include various forms of systematic, intentional and not so systematic, non-intentional and informal learning, imitation, copying, creative improvisations, solid work and botched jobs; but also personal dependencies of various kinds. Sweatshops using apprenticeships as a disguise for oppressive and exploitative forms of cheap labour still exist and forced child labour too. Hence, international apprenticeships deserve a second look for what they really are. But, apprenticeships exist in much gentler forms too and can be useful for handing down technical competences to younger generations either in a number of labour market niches only or on a mass scale on the labour market in general. Some countries traditionally manage to do that successfully: Austria, Germany, Switzerland and Denmark. Norway seems to have joined this group of countries more recently. But, good apprenticeships’ records are not confined to economically advanced European countries. Also in Africa, Asia and Latin America apprenticeships can play a valuable training role, although their scales may vary considerably (see: K.-F. Schaedler, 1983; D. Bas, 1988; D. Bas, 1989; M. W. Coy (ed.), 1989; Ministry of Foreign Affairs/Danida, 1994, p. 45; J. Singleton (ed.), 1998; BIT (ed.): C. Maldonado et al., 2001). The following text deals with Germany only.

The entry-level age for apprenticeships in economically advanced countries has risen by several years after World War II. Throughout the first half of the 20<sup>th</sup> century and during the fifties, German children, for example, became apprentices usually in the age of fourteen (see for example: E. Hylla, 1928, S. 4/5), while the average entry-level age at present has come close to twenty. In the German case apprenticeships are complemented by vocational schools and other training provisions, offering a rather limited measure and spectrum of “theory”

to apprentices of differently “capable” companies, but quality remains a reason why the training system can be christened a chameleon, though not the only one (see, for instance: M. Leidner, 2001). Examining the notions, which are used to describe the German vocational education and training system, a striking variety of terms can be found: apprenticeship system, a training system for “handarbeitende Fachkräfte” (manually working specialists) (G. Kerschensteiner, J. A. Wissing et al.), a “system of two authorities” (E. Spranger, H. Wander), “dualist system” (J. Zabeck), “vocational training and school system” (H. Abel), dual system, cooperative system, a system of company-based vocational training complemented by school-based education, vocational education system, (initial) vocational training system, vocational education and training system. Other expressions to be found are: corporatist, neo-corporatist or “traditional-corporatist” (W.-D. Greinert) training system, governmentally controlled market system or governmentally accompanied market system. If we would include the notion “Berufslehre” in our list (used in the German-speaking regions of Switzerland) another aspect would become visible: apprenticeships aiming for a *Beruf* (vocation, calling). Still the question remains, which of the features of the “dual system” can be regarded as the “constitutional elements” (see: D. Konietzka, 1999, S. 53 – 63).

The diversity of terms is no accident, as the “dual system” is a multi-faceted arrangement. It underwent a couple of innovation processes during a period of more than 100 years because of technological and organizational reasons and skinning because of different political aspirations, needs and conditions. After World War II it was subject to strategic policies first to preserve it and to re-establish the pre-Nazi framework, later to transfer an arrangement under the dominance of the private sector to some sort of public responsibility or even to change its character more fundamentally (see: M. Baethge, H. Solga, M. Wieck, 2007, S. 19). Such policies were linked to the Federal Vocational Training Act (BBiG) from 1969 and further reform proposals of the Brandt government in the early seventies, which failed. Concerning the Act from 1969, the German Chambers have published the following statement: “The Act made no alteration in the training system itself” (DIHK (Hrsg.) 2003, p. 14), a view which is confirmed by non-partisan statements: “In essence the basic structure was not changed by the Vocational Training Act from 1969” (F.-X. Kaufmann 2003, S.

301; a condensed overview of the historical development of the “dual system” is offered by D. Konietzka, 1999, S. 45 – 53)

The “theory” often applied to the combination of apprenticeships plus vocational school lessons can be summarized as follows: *manual* work = practice in companies + *brain* work = trade-related theory in vocational schools! The introduction of the term “dual system” in 1964 implied an “educationalization” of the arrangement “in theory” without changing facts, based on the so-called concept of the “learning places”. “Theory” took the company as a learning place, which it can be in its own way, besides being an economic undertaking. In 1987, roughly twenty years after the Vocational Training Act became effective, rather fundamental innovations occurred concerning the design of training standards, *not mirrored* in the unchanged label “dual system”, when the new industrial training ordinances for metal-working and electrical vocations were introduced. They can be regarded as the starting point of novel and innovative developments concerning the addition of “generic”, “core” or “key competences” to technical competences and concerning the upgrading of training standards from mainly “manual” to mainly “knowledge-based” – in a couple of areas, but not in all of them.

Recent “model experiments” (pilot projects) try to overcome the often “dualistic” organization of training processes between companies and vocational schools (highly instructive empirical findings about “cooperation”, including a typology of companies’ “cooperation activities” with vocational schools are offered by Berger, K./G. Walden 1995), sometimes by the establishment of a bureaucratic mechanism called “cooperation office”, sometimes by new approaches to curriculum design and didactical concepts (for the former: H. Bau/Th. Stahl (Hrsg.) 2002; for the latter: M. Reinhold 2002, S. 44 – 48). Whatever they may achieve or not achieve, the “model experiments” as such stress the fact that the German arrangement of companies and vocational schools still is not capable to guarantee a homogeneous and well-integrated training process everywhere and in all training vocations (see also: W. R. Heinz, 1994, S. 112; D. Euler, 1998, S. 118 – 130). After a period of more than hundred years which have passed since the “dual” arrangement of companies and vocational schools began to emerge, a rather remarkable outcome, which offers food for thought!