



WISSEN TEILEN. ZUKUNFT GESTALTEN. ZUSAMMEN WACHSEN.

Nationale Weiterbildungsstrategie



NATIONAL SKILLS STRATEGY

Continuing education and training as a response to digital transformation

I. Background and the challenge facing skills policy

Our country's most important asset is its people and their abilities, creativity and engagement. This strength is built on qualifications and skills. The transformation of the working world – driven in particular by the digital revolution – will result in massive changes to occupational and qualification profiles. Continuing education and training (CET) is the key to securing our supply of skilled labour, to maintaining the employability of all workers, and thus to our country's innovativeness and competitiveness. It is also an investment in social participation and equal opportunities. More than ever, continuing education and skills development are necessary to enable people to control their own professional lives. We therefore need a new skills culture in Germany which sees continuing education and training as a normal part of life. Policy-makers can establish the framework for this and support CET measures.

With the National Skills Strategy (*Nationale Weiterbildungstrategie*), the Federation, the Länder (federal states), businesses, trade unions and the Federal Employment Agency are seeking to pool and advance their efforts to promote continuing education and skills development. The Federation and the Länder intend to better coordinate their policies on continuing education and training and to work together with the other partners to make CET programmes and support options more transparent and easily accessible for all, and to expand them where necessary. Upskilling employees is and remains a key task for all companies.

The National Skills Strategy partners also want to help, in particular, small and medium-sized enterprises (SMEs) without large human resources departments to develop CET strategies. We will organise continuing education and training in Germany in a way which ensures that we make a success of structural change – both for every individual and for the economy and society as a whole.

Occupations undergoing structural change

Accelerating structural and sectoral change in technical and economic terms, especially the digital transformation of the economy, is causing far-reaching changes to the world of work. Despite the rise in digitalisation and automation, we will not run out of work in future; there will, however, be changes to occupational profiles, work activities and skill requirements. The Institute for Employment Research (IAB) has raised its estimate of the proportion of workers in employment subject to social security contributions who are working in occupations with a high potential for replacement from 15 per cent (in its 2013 study) to 25 per cent (in its 2016 study).¹

However, it remains unclear in what circumstances this potential will be fully exploited. Workers in occupations which are not replaced are also expected to face far-reaching changes.

¹ Dengler, K., Matthes, B. (2018): Substituierbarkeitspotenziale von Berufen: Wenige Berufsbilder halten mit der Digitalisierung Schritt. IAB-Kurzbericht 04/2018, p. 7.

For example, the Organisation for Economic Co-operation and Development (OECD) believes that more than 35 per cent of all occupations will undergo significant change by 2030.² As a result, working lives are likely to become more dynamic, with transitions becoming more frequent. This development requires a major effort from society as a whole. Many regions and organisations are still only at the beginning of this transformation. In particular, an answer must be found to the question of what skills are needed and how they are to be developed. In this context, occupational sectors must be developed further or opened up, and training must be provided to enable people to acquire the necessary qualifications and skills. Continuing education and training is becoming a key requirement for Germany to successfully rise to the challenge of the digital transformation in the interests of individuals and organisations.

An increase in continuing vocational education and training and a new skills culture as an answer to structural change

The National Skills Strategy partners understand continuing vocational education and training as meaning the continuation or resumption of structured learning after the end of an initial period of education and entry into working life.

Effective investment in continuing education and training has positive impacts both for individuals

and for the economy as a whole.³ For individuals, CET helps them to maintain and enhance their personal employability, including in terms of specialised and interdisciplinary skills, in a highly dynamic working world. In times of change, CET thus offers workers opportunities and protection.

For the world of work, sustainable skills development measures whose relevance extends beyond a single organisation help to enhance innovativeness and adaptability in the digital transformation. A new skills culture can thus become a fundamental advantage for Germany as a business location in the face of international competition and can lead to greater macroeconomic growth and prosperity.

Businesses are, accordingly, making continuing education and training a high priority. 85 per cent of all businesses are already active in terms of CET today. According to the Business Barometer on Digitalisation published by the Association of German Chambers of Commerce and Industry (DIHK) in 2017, 87 per cent of the businesses surveyed, across all sectors and size categories, recognise the need for more CET.⁴ The digital revolution is creating opportunities to ensure that CET is more effective in meeting needs and more personalised. More must be done to seize these opportunities.

When it comes to in-company continuing education and training, the participation rate varies depending on the size of the organisation.

² Nedelkoska, L., Glenda, Q. (2018): Automation, skills use and training, OECD Social, Employment and Migration Working Papers, No. 202, OECD Publishing, Paris, p. 49.

³ Weber, E. et al. (2019): Gesamtfiskalische Wirkungen von Weiterbildungsförderung. Öffentliche Ausgaben haben hohe Rückflüsse, IAB-Kurzbericht 08/2019. <http://doku.iab.de/kurzber/2019/kb0819.pdf>.

⁴ DIHK (2017): Wachsende Herausforderungen treffen auf größeren Optimismus. Das IHK-Unternehmensbarometer zur Digitalisierung, Berlin, p. 9.

For example, the Adult Education Survey 2016⁵ shows that the participation rate for in-company CET rises in line with the size of the organisation: 40 per cent of employees in companies with up to nine members of staff engage in in-company CET, according to the survey, while the rate is 61 per cent for employees in companies with over 250 members of staff.⁶

The Adult Education Survey 2016 shows that the participation rate for in-company CET among 18- to 64-year-olds in Germany is 36 per cent; 7 per cent engaged in individual job-related learning. There were relatively large disparities in participation rates. The Adult Education Survey 2016 found that, while 52 per cent of people with a higher education degree, for example, participated in in-company learning activities and 11 per cent participated in individual job-related learning, a comparatively low proportion of people without vocational qualifications engaged in these forms of learning, at 18 and 7 per cent respectively. People with a migration background are also less likely to take part in CET.⁷ At the same time, it should be noted that some sectors of the economy have seen a significant rise in the number of jobs in elementary occupations in recent years. This has offered comparatively good employment opportunities to low-skilled individuals and immigrants

with limited language skills, in particular. As a result of structural change and rising automation, the OECD Employment Outlook (2019) forecasts a decline in jobs in elementary occupations. Action is therefore particularly needed with regard to low-skilled individuals, around 25 per cent of whom have fundamental difficulties with reading and writing, according to a recent study,⁸ and immigrants who do not yet have adequate language skills for the labour market.⁹ This trend requires CET structures and institutions to do even more to tailor their programmes to reflect individual circumstances.

The National Skills Strategy

In view of the challenges posed by structural and sectoral change in technical and economic terms, the Federal Government has worked together with the social and economic partners, the Länder and the Federal Employment Agency, in consultation with academics and practitioners, to develop a National Skills Strategy. The National Skills Strategy focuses on continuing vocational education and training. It aims to either safeguard vocational competence, in the case of top-up and refresher training, or to increase vocational competence, in the case of personal and professional development

⁵ The Adult Education Survey is a representative survey carried out on the basis of an EU regulation. It uses a comprehensive definition of adult education: courses during or outside of working hours, workshops or seminars, guided on-the-job training, private lessons outside of working hours. The survey examines participation in adult education and training in the past 12 months, distinguishing between in-company learning activities (participation rate in 2016: 36 per cent), individual job-related learning activities (7 per cent) and learning activities which were not job-related (13 per cent).

⁶ Bilger, F. et al. (2017): Weiterbildungsverhalten in Deutschland 2016, Ergebnisse des Adult Education Survey (AES). wbv, Bielefeld, p. 66.

⁷ Ibid., p. 60.

⁸ Grotlüschen, A., Riekmann, W. (eds.), Funktionaler Analphabetismus in Deutschland. Ergebnisse der ersten leo.-Level-One Studie, Waxmann: Münster, 2012, and statements made by the University of Hamburg to mark the publication of the second leo. – Level One Study, Grotlüschen, A. et al. (2019) LEO – Leben mit geringer Literalität.

⁹ Geis, W., Vahlhaus, I. (2018): Bedarf an arbeitsplatzbezogener Grundbildung, IW-Kurzbericht 35/2018. <https://www.iwkoeln.de/studien/iw-kurzberichte/beitrag/wido-geis-bedarf-an-arbeitsplatzbezogener-grundbildung-389639.html>.

and upgrading training; it also aims to enable professional advancement. Retraining or second chance training to acquire basic skills or obtain a vocational qualification can also be regarded as continuing vocational education and training, in a broader sense. The aim of in-company CET is to meet skills needs within organisations.

The Skills Strategy formulates answers to the transformation of the working world, and seeks to foster a new skills culture in Germany which underlines personal control over individual education and employment histories and the increased responsibility of CET stakeholders. Digital and sustainable transformation must be accompanied by action to ensure that everyone benefits. In this context, companies, workers and public authorities have a shared responsibility and shared obligations. This also means that people should not wait until they are unemployed or at risk of unemployment to take up opportunities for continuing education and training; instead, they can take action at an early stage, as a form of prevention. In this context, the National Skills Strategy partners intend to provide particular support to all groups of people with below-average participation in CET. In the implementation of this guideline, the National Skills Strategy supports the Skilled Labour Strategies at federal and Land level, including the National Decade for Literacy and Basic Skills. The National Skills Strategy is a key element of the domestic pillar of the Federal Government's Skilled Labour Strategy. In addition, the National Skills Strategy can provide input for other regulatory areas, e.g. legislative processes, without pre-empting their outcomes.

Against the background of international labour market mobility, the National Skills Strategy

also looks at skills development strategies and activities in the European Union and the OECD. Important foundations are being laid for the further development of the German CET system through dialogue on relevant issues, discussions on potential solutions and the development of joint initiatives and projects.

Specifically, the National Skills Strategy partners have agreed on the following ten objectives. To implement them, the National Skills Strategy partners have formulated commitments relating to specific activities and initiatives.

II Objectives for action

1. Supporting the transparency of CET opportunities and programmes

The incredible variety of stakeholders and programmes in the field of continuing education and training offers a foundation and an opportunity for needs-based, individual and lifelong learning. However, this diversity poses a challenge in terms of the transparency of the CET market: searching for suitable CET programmes and support options can be difficult and time-consuming. The National Skills Strategy therefore aims to make it easier for people who are interested in CET, workers and companies' human resource managers to navigate the CET market effectively. Given the wide range of structures in continuing education and training, it is essential to achieve greater clarity regarding CET programmes, counselling services and support options at both federal and Land level, so that everyone can more effectively tailor their personal learning and development process to meet their needs. In this context, the needs of small businesses and micro-enterprises will also be taken into account.

The National Skills Strategy partners are seeking to enhance transparency for individuals and businesses in the diverse CET market. Alongside the expansion of local counselling structures, online platforms have a key role to play in enhancing transparency regarding CET opportunities and programmes. Given the interconnected nature of the platforms in question, the Federal Ministry of Labour and Social Affairs and the Federal Ministry of Education and Research will coordinate closely

with each other and involve each other in the development processes in order to exploit potential efficiencies and design effective interfaces.

The platforms of the Länder must be taken into account in this context. The Federal Ministry of Labour and Social Affairs and the Federal Ministry of Education and Research therefore intend to develop two options together.

A central gateway site is to be developed, with input from individuals who are interested in CET and from businesses, to provide information about the support available for individual continuing vocational education and training and makes it simpler to apply for support. To this end, the **Federal Ministry of Labour and Social Affairs** will, with the involvement of the Federal Ministry of Education and Research and other Strategy partners, develop a prototype of the website, focusing on the user's perspective.

The **Federal Ministry of Education and Research** will, following the tried-and-tested process of consulting the economic and social partners and the Länder, use its planned innovation competition "Digital Platform for Continuing Vocational Education" to develop interactive learning platform structures which will expand and facilitate options for individuals to receive CET services which meet their exact needs; these structures will be designed to be compatible with national and European initiatives (e.g. Europass) and will integrate with relevant existing platforms. This is intended to allow simpler, low-threshold and broad access to lifelong continuing education

and training programmes, which can also build on existing skills, allowing an individual and modular approach to learning, for example. The platforms will be designed to respect transparency criteria and consumer rights, and to enable the direct provision of comparable digital learning programmes, making modular, individual, flexible and, at the same time, secure learning possible. The competition thus aims to help to test the feasibility of secure digital educational spaces.

The **Federal Ministry of Education and Research** is examining, together with the relevant stakeholders, the possibility of Germany participating in the Europass pilot project “Digitally signed credentials”. This pilot project was launched by the European Commission with the aim of creating an European instrument which enables individuals and organisations to issue, store, verify and share digital qualifications and other credentials certifying learning outcomes.

The **Federal Employment Agency** runs KURSNET, Germany’s biggest online platform for CET with over 4.5 million education and training programmes, and Lernbörse exklusiv, an e-learning platform for individuals interested in CET. KURSNET makes vocational education and training programmes freely accessible and enables them to be publicised and searched for free of charge. Looking to the future, KURSNET is to be integrated into the Agency’s website, www.arbeitsagentur.de, to better meet the needs of individuals interested in CET.

The **Federal Ministry of Education and Research** is planning, in consultation with the Länder, to develop an information portal on higher continuing education. This site will provide a nationwide overview, updated daily, of continuing education

provided by higher education institutions. It will provide information both about degree courses which can be studied part-time, alongside employment or via distance learning, and about continuing education programmes provided by higher education institutions which are shorter than full degree courses but can potentially be credited towards them (e.g. programmes leading to certificates). The site’s data will be exported to relevant information sites to ensure that the information is as widely available as possible.

To provide better support for individuals interested in CET who are searching for suitable CET programmes and opportunities in the skilled crafts sector, the **German Confederation of Skilled Crafts** is planning to expand the content and scope of the “Skilled Crafts Careers Portal”.

The Association of German Chambers of Commerce and Industry and the German Confederation of Skilled Crafts will publicise and disseminate their umbrella brand “Höhere Berufsbildung” (Higher Vocational Education and Training) for further training qualifications falling within their area of responsibility, and provide transparent information about the career and development opportunities associated with them, in particular. In this context, it is important to develop – where possible and practicable – attractive educational pathways with transfer opportunities in the field of tertiary vocational education and training.

The Federal Ministry of Education and Research, the Federal Ministry of Labour and Social Affairs and the Länder will establish a Federation-Länder Committee, operating on a continuous basis and chaired jointly by the two Federal Ministries, to coordinate support and counselling measures at

federal and Land level in the field of CET and to allow a transfer and exchange of experience. In this context, the Federation and the Länder will examine whether the Federation-Länder approach taken in the “Education Links” process can be applied to the field of continuing education and training.

2. Closing gaps in support, creating new incentives, adapting existing support systems

While responsibility for in-company CET lies with the companies themselves, responsibility for other forms of continuing vocational education and training rests on many shoulders. In view of the special challenge facing skills policy, it is essential for all stakeholders – i.e. the state, businesses, workers and the social partners – to work together to ensure that the transformation is a success.

The stakeholders responsible will examine how support and financing gaps which have been identified can be closed (e.g. those relating to special target groups such as low-skilled individuals), how additional incentives can be created (e.g. for individual continuing vocational education and training and in the field of job-related basic skills), and how a more joined-up approach by regional CET stakeholders can be promoted.

With demand rising for more comprehensive CET and additional skills development, it is necessary to take into account the interests of organisations and society as well as individuals’ professional and personal interests. Support for CET includes,

in addition to financial assistance, assistance with arranging time for self-directed vocational learning.¹⁰ Businesses, workers and public authorities have different funding responsibilities. The joint aim of all stakeholders is to make it possible to connect and combine individual options and options provided by organisations, collective agreements and public authorities.

The *Federal Ministry of Education and Research and the Länder* will, in line with their joint responsibility for the recruitment and training of future managers and professionals, revise the Upgrading Training Assistance Act (*Aufstiegsfortbildungsförderungsgesetz*). The aim is to significantly improve the support provided and, among other measures, to establish in future an entitlement to support for each of the three levels of further training which are to be enshrined in the Vocational Training Act (*Berufsbildungsgesetz*) and the Crafts Code (*Handwerksordnung*). Federal funding for the Upgrading Training Assistance Act will be topped up by 350 million euros in this electoral term.

In response to the sweeping transformation processes taking place in the course of the digital revolution, the *Federal Ministry of Labour and Social Affairs* will work to enhance the employability of the labour force,¹¹ including job-seekers and people who are unemployed. Among other steps, the Ministry will therefore examine measures such as publicly subsidised educational leave and part-time educational leave for employees, in order to provide cross-sectoral support to help meet, in particular, employees’ significantly rising demand for personal and professional development, and in some cases for retraining.

¹⁰ Fourteen of the sixteen Länder have made use of their regulatory powers with regard to the release of employees from work to participate in education and training programmes.

¹¹ The labour force includes both the employed and the unemployed.

One specific first step to enhance employability is an entitlement in principle to support for second chance vocational training (leading to a vocational qualification) under Books II and III of the Social Code (*Sozialgesetzbuch*) for workers without a vocational qualification – in line with personal aptitudes and labour market relevance. In this context, the possibility is being examined of modifying the provision giving priority to placement in employment in Book II of the Social Code to match the provision in Book III of the Social Code. The National Skills Strategy partners have been unable to reach a consensus on more far-reaching legal entitlements.

In the past, the short-time work allowance has proved effective in dealing with major economic challenges. To ensure that the transformation being driven by digital, global and environmental factors can be dealt with successfully, flanking structural instruments – such as the further development of the short-time work allowance in conjunction with CET – are to be examined in case disruptive developments take place.

Educational leave is a legal entitlement for employees to receive paid leave from work to attend recognised CET events. The *Länder* are examining whether and how this legal entitlement can be better promoted and used as an instrument to boost continuing vocational education and training.

The *Federal Ministry of Labour and Social Affairs* will, in coordination with the *Federal Employment Agency*, implement the coalition agreement’s commitment for the *Federal Employment Agency* to work with individuals to

develop a plan of action within three months after they become unemployed, and for this to include an offer of support for continuing education and training, where appropriate, in order to provide a lasting boost to their employability.

The *Federal Ministry of Labour and Social Affairs* will examine, together with the *Federal Employment Agency*, what steps can be taken to provide further support for successful participation in subsidised CET leading to vocational qualifications. This includes examining the possibility of extending the continuing education bonus scheme for individuals engaging in retraining who pass intermediate and final examinations, which was introduced with effect from 1 August 2016 and is due to expire at the end of 2020. The discussions on this will also draw on experiences gained in relation to the introduction of a “skills development bonus”, which is to be piloted in Bremen from 2019 onwards.

The *Federation, the Länder and the Federal Employment Agency* share the view that further action is needed to promote literacy and basic skills. They will work together to enhance literacy and the acquisition of basic skills, especially the ability to read and write in the German language, and IT and maths skills for adults. For low-skilled workers and low-skilled individuals who are unemployed, in particular, having basic skills is a prerequisite for successful completion of continuing vocational education and training. Further concrete steps are to be agreed in the framework of a policy development lab.¹²

¹² In the National Skills Strategy implementation process, “policy development labs” are organised where necessary to create a forum for in-depth work on individual objectives.

The **Federal Ministry of Education and Research** will continue its measures in the framework of the National Decade for Literacy and Basic Skills 2016 – 2026 agreed by the Federation and the Länder, as reading, writing and arithmetic are more necessary than ever for social and economic participation today. To this end, workplace-based opportunities to acquire basic skills are being developed and made available in partnership with businesses, among other measures. In addition, the possibility of supporting research projects is being examined. As digital skills are considered basic skills, the Federal Ministry of Education and Research (in partnership with the German Adult Education Association and others) will support the development and roll-out of low-threshold programmes in this area.

The **Länder** are seeking to continue their initiatives to promote literacy and basic skills for adults, as well as their established structures, and to expand them in line with demand by 2026; these initiatives are funded partly by the Länder and partly by the European Social Fund. This relates to people whose first language is German and, looking to the future, also migrants and immigrants.

The number of people with low literacy levels shrank from 7.5 million to 6.2 million between 2011 and 2018. **Employers** are seeking to boost the development of basic skills for the workplace for low-skilled people, including via the project “AlphaGrund – Grundbildung für den Arbeitsplatz” (AlphaGrund – Basic Skills for the Workplace), and are willing to continue this engagement in the framework of the National Decade for Literacy and Basic Skills.

The **trade unions** are continuing their projects “Mento – Kollegiales Netzwerk für Grundbildung und Alphabetisierung” (Mento – Network of Colleagues for Basic Skills and Literacy) and “BasisKomPlus – Basiskompetenzen am Arbeitsplatz” (BasisKomPlus – Basic Skills in the Workplace). The prerequisite is adequate financial support for these projects, which is being examined by the **Federal Ministry of Education and Research**.

3. Ensuring joined-up lifelong CET counselling nationwide and strengthening skills development counselling, particularly for small and medium-sized enterprises

Against the background of a changing labour market, high-quality and provider-independent CET counselling is needed both for members of the labour force and for businesses. Counselling of this kind can identify potential skills needs and skills development options for businesses and individuals, and help to ensure that the person seeking advice can take independent, well-founded and informed CET decisions, e.g. regarding career advancements or changes in career. The Federal Government has already taken a major step towards this with the Skills Development Opportunity Act (*Qualifizierungschancengesetz*) and measures to strengthen the Federal Employment Agency’s CET and skills development counselling. In addition, a wide range of counselling services and instruments are available. In general, the National Skills Strategy aims to develop and join up the existing counselling services, especially those of the Federation, the **Länder**, chambers, associations and educational organisations, to create a nationwide, high-quality counselling structure for

lifelong learning. CET counselling must also aim, in close consultation with businesses, to boost the motivation of the relevant groups of people (e.g. low-skilled individuals, skilled workers, future managers) to participate in continuing vocational education and training, and must seek to ensure that the threshold for access to continuing vocational education and training is as low as possible.

The **Länder concerned and the Federal Employment Agency** are examining how a more joined-up approach can be established regarding the skills development counselling services for businesses and the educational counselling services of the Länder. This joined-up approach can form part of a regional labour market and economic policy and should include the employment agencies and also all job centres.

The **Federal Ministry of Labour and Social Affairs, the social partners and the Länder** are supporting the Federal Employment Agency's "Lifelong Career Counselling" (LBB) project (counselling before entering working life, counselling during working life, and a career counselling self-discovery tool), which was piloted in four different locations with a focus on the needs of organisations and in close consultation with the social partners and regional business self-governance structures.

The nationwide introduction of LBB career counselling before entering working life will begin in the autumn of 2019.

With LBB career counselling during working life, the **Federal Employment Agency** is planning to offer, for the first time, a systematic career guidance and counselling service for workers.

The service for individuals who are unemployed and have additional career guidance needs is to be expanded, and transparency is to be ensured regarding regional and national CET provision. Customers of the Federal Employment Agency who are in need of career guidance and CET are to be addressed in close cooperation with regional network partners.

The **Federal Employment Agency** intends to develop a new online service in the form of its self-discovery tool (SET-E). This is targeted at people in working life who need career guidance or who are interested in personal CET, and it will be integrated with the Agency's existing services. The counselling session at the Agency should also build on the SET-E test results, enhancing the quality of the counselling.

The **Federal Ministry of Education and Research** is examining options to develop the "CET Counselling" information hotline into a nationwide telephone counselling service for lifelong learning and CET, in order to support people in the process of making educational, job and career decisions in line with their individual needs. The telephone counselling service is supplemented by the accompanying website www.der-weiterbildungsratgeber.de. The site enables users to carry out (preliminary) research and obtain information, and supports communication during the "voice-to-voice" counselling.

The **chambers of industry and commerce** will continue to enhance their CET counselling – particularly against the background of the digital transformation. This includes, in particular, focusing to a greater extent on online formats and other forms of virtual counselling. The chambers will

also examine how they can provide even more comprehensive support to businesses in terms of counselling on how to rise to the challenges of the digital transformation. In addition, the chambers will continue to optimise their cooperation and links with other CET stakeholders at local level.

The Skills Development Opportunity Act fleshes out the Federal Employment Agency's mandate to provide counselling to businesses. The skills development counselling provided by the Agency's service for employers discusses the need for forward-looking human resource development. This counselling raises employers' awareness of the need to identify their employees' potential for development, to compare it to future requirements and, building on this, to implement continuing education and training measures. The skills development counselling focuses particularly on groups of employees whose participation in CET tends to be below average, e.g. low-skilled individuals, people in marginal employment, part-time workers or older people. The **Federal Ministry of Labour and Social Affairs and the social partners** are supporting the **Federal Employment Agency** in its aim of continuing to establish the Agency's service for employers as an expert partner.

The Federal Government is supporting SMEs in designing their human resources policies to secure their supply of skilled labour, via the Research Unit on Securing Skilled Labour established at the German Economic Institute. In this context, the **Federal Ministry for Economic Affairs and Energy** is examining the extent to which continuing education and training for staff can be reinforced as an important priority in the Research Unit's activities. The aim is to provide even more effective support to SMEs in upskilling their workforce in order to

offset potential shortages of skilled labour, keep pace with digitalisation and position themselves as attractive employers.

The **Federal Ministry of Education and Research** will provide project-based support for an initiative on learning process facilitation in the workplace, including and in particular for low-skilled individuals, and support the training of staff as CET mentors. The findings from the National Decade for Literacy will be taken into account. The aim is a low-threshold, workplace-based counselling service to motivate workers who have previously rarely participated in CET to engage in continuing education and training, and to support them in doing so. The **trade unions** will press for the development of careers counselling and careers support expertise in the workplace and will in this way promote support for workers in the context of professional change processes. Works council and staff council members, as well as union workplace representatives, will also be trained as CET mentors. The aim is for them to improve skills development uptake among educationally hard-to-reach and low-skilled employees, in particular. Personal contact and individual support can allay employees' fears and reservations.

The Mining, Chemical and Energy Industrial Union (IG BCE) and the German Federation of Chemical Employers' Associations (BAVC) will examine the possibility of running a project over the period to 2024 in which IG BCE workplace representatives, and potentially also staff in the field of human resources, would be trained as CET mentors. The project would trial a low-threshold, workplace-based counselling service for employees. The aim would be to motivate workers – especially those with negative experiences of

education – to take part in continuing education and training, and to support them in doing so. The project would be academically supported and evaluated. The prerequisite is adequate financial support for these projects, which is being examined by the *Ministries*.

In addition, the *social partners in the chemical industry* are examining whether a CET counselling service for workers and/or companies should be developed specifically for this industry.

4. Strengthening the responsibility of the social partners

The social partners make a significant contribution, in various respects, to ensuring that continuing vocational education and training is effective and practice-oriented: both in the framework of in-company CET and in the framework of regulatory work carried out in partnership with business organisations.

In-company CET has a key role to play in actively engaging with the challenges which the digital transformation poses in terms of labour market policy and social policy. It is the prerequisite for a forward-looking policy on skilled labour and innovation. As such, it is increasingly becoming a core element of organisations' strategic human resources planning. Particularly in view of the digital transformation, works councils should be able to make an even greater contribution to developing and maintaining the skills organisations require, in order to prevent a shortage of skilled labour. The National Skills Strategy partners have not reached a consensus on the question of possible ways for works councils to become more involved in CET.

Companies' ownership of and responsibility for continuing education and training is already a driving force for a modernised CET system today. Social partnership plays a key role in this context. Employers and works councils have a great deal of expertise in identifying skills needs at an early stage in the sector in question, particularly in conjunction with the business strategy and business processes. This expertise is already feeding into regulatory work today, both in the issuing of training regulations and in the issuing and modernisation of regulations for upgrading training. The longstanding principle that consensus is required on these issues ensures that the trade unions and staff representation bodies are and remain a genuine partner for organisations in the tried-and-tested social partnership model.

The transformation into a sustainable, digital economy will only be successful with highly educated skilled workers – and if all workers are included. The *trade unions* will help to give workers access to useful continuing education and training on the basis of the Skills Development Opportunity Act. The aim is to identify which jobs are disappearing or emerging and, in the case of jobs which are remaining, to identify how the skill requirements are changing. This allows the skills which will be in demand in future to be identified, providing clarity about how well-prepared organisations are for the transformation. This creates a frame of reference for determining what continuing education and training is needed, which boosts strategic human resource development in organisations. The trade unions will work together with works councils, union workplace representatives and employers to systematically establish a clear picture of the transformation and its effects on workers. The *IG Metall* trade

union has already taken steps in this direction with its “transformation atlas”. This initiative aims to identify the skills which will be in demand in future, in order to provide a frame of reference for determining what continuing education should be provided.

In the view of the *trade unions*, collective agreements offer broad leeway to regulate support for continuing education and training. In recent years, skills development and CET are subjects which have repeatedly been raised in collective bargaining, with considerable success. The trade unions intend to continue to monitor this trend.

The *Federal Ministry of Labour and Social Affairs* will, while respecting the results of the coherence checks with the Länder, examine the possibility of launching a new and updated version of the ESF Social Partner Initiative in close cooperation with the Confederation of German Employers’ Associations and the German Trade Union Confederation in the next ESF funding period beginning in 2021, in order to support organisations, including SMEs, in developing joined-up CET and human resource development structures.

The *National Skills Strategy partners* will collect and analyse examples of innovative approaches to continuing vocational education and training which exist in workplaces and collective agreements. The Federal Ministry of Labour and Social Affairs will disseminate these examples in the regions via the New Quality of Work Initiative and the Innovation Office for Skilled Labour for the Regions, while the Federal Ministry of Education and Research will disseminate them through various formats (including events and publications).

Against the background of the digital transformation, the *social partners in the chemical industry, the Mining, Chemical and Energy Industrial Union (IG BCE) and the German Federation of Chemical Employers’ Associations (BAVC)*, will seek to update the provisions on skills development in their collective agreement by the end of this year. Separately from this, the BAVC and the IG BCE will adopt an agreement establishing a “Vision of Continuing Education 4.0” for the industry. The aim of the agreement will be to further develop the high skill level in the chemical industry in order to boost companies’ innovativeness and competitiveness and to safeguard workers’ employability. In addition, the IG BCE and the BAVC will participate in an education council, with equal representation for both sides, to discuss suitable further steps and campaigns to support employers and works councils in continuing to enhance their CET provision.

5. Reviewing and enhancing the quality and quality assessment of continuing education programmes

Quality assurance is a cross-cutting task which encompasses all aspects of continuing vocational education and training. Above all, it includes the identification of education needs and aims, the infrastructure, the professionalisation of CET staff and the pedagogical and specialised implementation of learning activities.

The quality assurance systems used in the field of continuing education and training vary a great deal. While accreditation and certification rules often apply to publicly subsidised CET, quality assurance in the case of regulated further vocational training

takes place on the basis of the further training examination regulations and further training examinations negotiated with the social partners, and is governed by the legislation of the *Länder*.

By contrast, no rules apply to programmes offered on the free market, although a number of well-established voluntary quality assurance procedures exist, such as ISO 9001, and the market mechanism of supply and demand also applies. In general, the wide range of quality assurance procedures and tools can be made more transparent for people seeking continuing education by also focusing on how they promote actual quality development in continuing vocational education and training. It is essential to encourage the establishment of a quality culture in which quality assurance procedures are made more binding and their transparency for users is increased.

With the aim of enhancing the internal and external quality assurance processes for continuing education programmes offered on the free market from a user perspective, the *National Skills Strategy partners* will organise a policy development lab, with the involvement of education associations, to discuss whether – and if so, which – additional tools, such as checklists, would be beneficial in achieving this, and potentially examine the possibility of developing prototypes of these tools.

As state-recognised education service providers, the vocational schools of the *Länder* have quality management and quality development systems established by the school supervisory authorities. On this basis, they will continuously adapt their programmes and certificates to meet the specific needs of the region in question and to reflect the latest scientific and technological developments.

As far as support services provided under Books II and III of the Social Code are concerned, the *Federal Ministry of Labour and Social Affairs* and the *Federal Employment Agency* will examine the need for adjustments and updates to the accreditation and authorisation process in the field of employment promotion, in light of the conclusions reached and proposals made in the evaluation of this process. The key processes and stakeholders which influence the quality of the delivery of continuing education programmes will also be included in the examination.

With the introduction of a rating system for CET providers, the *Federal Employment Agency* is improving the impact and efficiency of support for continuing vocational education and training by ensuring greater transparency regarding the quality of the programmes offered by an education provider. This is a new online product offered by the Federal Employment Agency which helps customers with an education voucher to choose the right continuing vocational education and training programme for them. For the first time, ratings given by participants and the provider's level of success in helping participants find employment are being published across the board for users to compare. The provider rating system creates incentives for education providers to enhance the quality of their programmes, and enables users to compare the programmes offered by different providers.

The *Federal Employment Agency* is also supporting high-quality and successful providers in the field of labour market services obtained through procurement. It is consistently using the options created by the 2016 reform of public procurement law. For example, performance criteria

(e.g. integration and drop-out rates for programmes) and the quality of implementation will be taken into account for public procurement under Section 45 of Book III of the Social Code from 2019 for the first time.

A major prerequisite for inclusive continuing education and training is the provision of accessible CET. Technological change and the rise in digital connectivity have the potential to improve CET for people with disabilities, for example by allowing the creation of accessible CET programmes and enabling learning to take place anywhere. To create tailored forms of support for people with disabilities, the *Federal Ministry of Labour and Social Affairs* and the *Federal Employment Agency* are examining what incentives can be created to promote inclusive and accessible CET structures in the field of subsidised continuing education and training.

6. Increasing the visibility of and recognising the skills acquired by workers through vocational education and training

At present, Germany has no single, nationwide, standardised means of providing reliable evidence of vocational skills acquired through informal or non-formal learning.¹³ To meet the demand for skilled labour and offer fair opportunities for

participation, it is essential to enhance the visibility and usability of informal vocational learning and the associated opportunities to develop vocational skills and engage in continuing vocational education.

In Germany, more than two million people aged between 20 and 34, and more than 1.5 million people aged between 25 and 34, do not have any vocational qualifications and are therefore less well-placed for long-term, skilled employment.¹⁴ However, a large proportion of people with few formally acquired skills have already acquired relevant vocational skills. It is important to increase the visibility of these skills and make tried-and-tested validation processes more widely available. There is a consensus that validation processes are not intended to replace the established vocational training systems.

The *National Skills Strategy partners* welcome a nationwide, standardised process to identify, assess and certify vocational skills acquired through non-formal and informal learning.

The *Federal Ministry of Education and Research*, the *German Confederation of Skilled Crafts* and the *Association of German Chambers of Commerce and Industry* are working together with other partners from the skilled crafts sector, commerce and industry and the agricultural sector in the framework of the Ministry-supported

¹³ The European Centre for the Development of Vocational Training (CEDEFOP) defines non-formal and informal skills and learning processes as follows in its 2009 guidelines for validating non-formal and informal learning: non-formal learning refers to “Learning embedded in planned activities not explicitly designated as learning (in terms of learning objectives, learning time or learning support) but with an important learning element. Non-formal learning is intentional from the learner’s point of view” (p. 86). Informal learning means “Learning resulting from daily activities related to work, family or leisure. It is not organised or structured in terms of objectives, time or learning support. Informal learning is in most cases unintentional from the learner’s perspective” (p. 87).

¹⁴ Bundesinstitut für Berufsbildung (2019): Datenreport zum Berufsbildungsbericht 2019. Informationen und Analysen zur Entwicklung der beruflichen Bildung, Bonn, p. 312.

ValiKom transfer project to implement the standardised process (ValiKom) which has been developed, by establishing locations throughout Germany where this standardised process to validate professional experience acquired in working life, using vocational qualifications as a yardstick, can be carried out.

In the process of implementing the National Skills Strategy, the *Federal Ministry of Education and Research and the Länder* are examining, *with the involvement of the social partners*, possibilities and variants of a nationally binding establishment of this tried-and-tested validation process.

The *Federal Employment Agency* is using “MYSKILLS – IDENTIFYING PROFESSIONAL COMPETENCIES” to allow targeted skills development and placement in employment. This is a unique testing process which uses videos and images to identify practical vocational knowledge, and is available in six languages for 30 selected occupations. MYSKILLS is a service which the Federal Employment Agency offers its customers; it aims to enhance the counselling and placement services of employment agencies, joint institutions and licensed local authority agencies.

7. Developing further training qualifications and continuing education and training programmes

The increasing digitalisation of the world of work is resulting in changes to many job profiles and skill requirements. One aim of the National Skills Strategy is to update further training qualifications and continuing education and training programmes in agreement with the economic and so-

cial partners to ensure that they reflect additional skill requirements, e.g. those needed in light of the digital transformation. This process will be guided by companies’ demand for workers with these skills, as well as individual career development.

The *Federal Government* will work with the *economic and social partners* in the tried-and-tested framework for the modernisation of further training qualifications and *Meister* examination regulations to examine how they can gradually be adapted to the challenges posed by the increasing digitalisation of workplace processes and more extensive connectivity in production and value creation.

Given the fast-paced developments caused by the digital transformation, it is necessary to adapt the content of affected continuing education and training programmes offered by trade and technical schools. The *Länder* will develop skills-based qualification profiles with multiple levels which can be integrated in the various fields and specialisations in a needs-based and tailored manner.

The *Federal Ministry of Education and Research* is aiming to further increase the attractiveness, quality and parity of esteem of vocational education and training by creating innovative, high-quality partnerships between places of learning, including vocational schools, companies, inter-company training centres, training centres, research institutions and higher education institutions. In the framework of the federal competition “Shaping the future – innovation for excellence in vocational education and training (InnoVET)”, the Federal Ministry of Education and Research will therefore support innovation clusters in which regional and sector-specific stakeholders work

together to develop and test innovative initial and continuing training programmes.

The **Federal Ministry of Education and Research** is promoting, in cooperation with the **Association of German Chambers of Commerce and Industry and businesses' educational organisations**, the development, subject to quality assurance, and standardised nationwide implementation of partial qualifications in occupations which are particularly in demand. The training modules created by the Federal Institute for Vocational Education and Training and the Federal Employment Agency provide a foundation for this and will be supplemented in line with requirements.

Training modules and partial qualifications can be a means for workers who lack vocational qualifications but do have professional experience to acquire a vocational qualification one step at a time. Participants' individual level of motivation is the fundamental prerequisite for them to take up and successfully complete a continuing vocational education programme leading to a qualification. The **National Skills Strategy partners** will examine and implement measures to boost people's motivation to begin a second chance modular skills development programme, to stay the course until the final examination and to complete it successfully. The recommendations made by the board of the Federal Institute for Vocational Education and Training provide a foundation for this.

Against the background of the aim of "Enhancing skills development opportunities for unemployed people and workers", the **Federal Employment Agency** is continuing its activities (including its work in committees and advisory bodies) to expand the availability of partial qualifications

which can lead to employment. The Federal Employment Agency regards standardised partial qualifications which can lead to employment (generally intended for people over the age of 25) as an increasingly important alternative route to gradually obtaining a vocational qualification for a sub-group of low-skilled people.

In-company retraining for individuals offers job-seekers the chance to acquire a recognised vocational qualification in a company setting, and gives employers the opportunity to secure the skilled labour they require and to benefit from the value created by the individual during the retraining programme. The **Federal Ministry of Labour and Social Affairs** is examining how incentives can be increased for job-seekers to take up in-company retraining.

The **Federal Ministry of Labour and Social Affairs** believes that further action is needed on funding for retraining, which is currently limited to two years. As a result, retraining programmes and continuing education programmes leading to a vocational qualification have to be shortened by a third compared to initial vocational training. This can pose a major obstacle, particularly for low-skilled and long-term unemployed people – many of whom are out of practice when it comes to learning new skills. To lower the threshold for access to continuing vocational education and training for these groups, the **Federal Ministry of Labour and Social Affairs** intends to examine, together with the **Federal Employment Agency** and the **Länder**, whether it is possible, in duly justified individual cases, to dispense with the requirement for continuing education and training leading to a vocational qualification to be shortened by at least one third. The possibility

of funding the full length of the training can be considered in these cases.

8. Strategically developing educational institutions into centres of excellence for continuing vocational education and training

Germany's continuing education structures are characterised by a large variety of different competences, instruments and programmes offered by public and private institutions, competent authorities and organisations. This decentralised, diverse structure makes it possible to offer people in different circumstances CET programmes tailored to their needs. The National Skills Strategy aims to enhance the ease of transfer and flexibility of CET pathways and to boost synergies – including with regard to digital infrastructure, and by using it. To this end, vocational, academic and general educational institutions are to be strategically developed, greater coordination and integration is to be ensured between the various CET programmes, and networks of CET stakeholders are to be expanded further – without competition being distorted as a result.

The Federation, the Länder and businesses will continue to support inter-company training centres in their modernisation, including in view of digitalisation, and their development into centres of excellence. We are strengthening the inter-company training centres on their path to becoming highly effective expert partners for lifelong learning and, in particular, first-class partners in the digital transformation who impart digital skills for specific fields. This will allow skilled workers and managers from SMEs across

the country to be offered continuing education and training at a highly specialised level, and will boost the future career prospects of those undergoing training.

The *Länder* are examining to what extent it is possible to develop or expand existing regional networks in which institutions offering continuing general, vocational and higher education, including inter-company training centres, are represented. These regional networks, which span different education sectors and education providers, also include the Federal Employment Agency, the relevant authorities and the social partners. The aim is to propose and arrange innovative measures in the field of lifelong learning.

Employers will drive forward decentralised CET networks and regional cooperation between companies, especially SMEs. The *Federal Ministry of Labour and Social Affairs* will provide financial support for CET networks in the framework of pilot projects. Coordination between existing and new networks is to be promoted in this context.

The *Federal Ministry of Education and Research* will begin talks with the *Länder* in order to jointly examine how continuing education provided by higher education institutions can be supported in the framework of a new Federation-Länder programme following the “Advancement through Education: Open Universities” competition. The support would be channelled to university projects to develop or further develop short, flexible, digitally led continuing higher education programmes (e.g. leading to certificates) in cooperation with external partners, especially SMEs. Another requirement would be for transparency to be ensured regarding the quality of the

individual programmes and regarding the possibilities for the programmes to be credited towards a degree course.

9. Supporting CET staff and equipping them with the skills required for the digital transformation

The digitalisation of the working world is transforming work activities and the demand for qualifications and for skilled labour. This is also placing new demands on the training staff in initial and continuing vocational training. Training staff, human resource managers and those responsible for continuing education and training are currently not only facing the challenge of preparing people for an increasingly digitalised world of work; to a growing extent, they also need to be able to use modern information and communication technologies to shape teaching and learning processes. The National Skills Strategy aims to support CET staff, who are a vital factor in the quality of learning opportunities, in meeting the new requirements they face – e.g. through skills development. This also includes appropriate working and employment conditions for CET staff.

The Federation and the Länder are examining the working and employment conditions of workers in publicly financed continuing vocational education and training. The social partners are being involved in this process.

The *Federal Ministry of Education and Research* is planning a Digital Transformation “Q 4.0” skills development initiative to help to support staff in the field of vocational education and training – including CET staff – regarding the changes brought

about by digitalisation and to equip them with the skills they require in this context. Innovative initial and continuing training formats will increase their media and IT literacy and boost their ability to adapt the content of the vocational training process in light of the digital transformation. Together with the economic and social partners, the Ministry is examining whether these skills development formats could be widely offered in future as recognised additional qualifications or CET modules, or be included in potential reflections on the adaptation of the Instructor Aptitude Regulations (*Ausbildereignungsverordnung*).

In the framework of the National Decade for Literacy and Basic Skills, the *Länder* are striving to professionalise the staff of CET providers with regard to basic skills and to update programmes to incorporate new findings from researchers and practitioners. The implementation of learning opportunities should focus, to a greater extent than in the past, on the specific needs of people who are functionally illiterate.

The digital transformation requires new vocational training formats, but it also requires the staff providing initial and continuing training to have competencies which enable them to shape, in a sustainable manner, work processes which have changed as a result of technology. The *Federal Ministry of Education and Research* is therefore examining the possibility of launching an initiative on the “Transfer of key competencies relating to sustainability in continuing vocational education and training”.

10. Strengthening strategic forecasting and optimising statistics on continuing education and training

The ongoing digital transformation is leading to fundamental changes to our world of work. Activities are changing, and new forms of work and occupations are emerging. The importance of digital skills is on the rise, and skills development programmes need to be updated and adapted accordingly. Organisations and employees have to be able to adjust to these changes quickly and therefore need early guidance about potential future developments. The National Skills Strategy therefore aims to further develop strategic forecasting tools and to enhance information channels, particularly those allowing information to be communicated to SMEs.

CET statistics need to be optimised to provide a clearer picture of what is happening in the field of continuing education and training and to evaluate the effects of the National Skills Strategy.

To improve the available data and the possibilities for statistical analysis and evaluation of participation in CET, the **Federal Ministry of Education and Research** will work together with the Federal Institute for Vocational Education and Training, the **Länder** and other relevant statistical stakeholders to develop an integrated reporting system.

The **Federal Ministry of Labour and Social Affairs** is scaling up its initiatives to identify and monitor skills: the skilled labour monitoring process and

the Skills Compass. As far as the skilled labour monitoring process is concerned, findings will be presented at the level of employment areas in the autumn of 2019; qualification-specific findings at the level of skills will be available in the autumn of 2020. The Skills Compass investigates the future skills needs of specific sectors.

As a continuation of the overarching Continuing Education 4.0 initiative, and taking into consideration the research programme of the Federal Institute for Vocational Education and Training, the **Federal Ministry of Education and Research** and the Federal Institute for Vocational Education and Training are developing additional and more in-depth studies and initiatives on the changes to the vocational education and training system made necessary by digitalisation and the required skills adjustments for digitalised work in tomorrow's world.¹⁵

The **German Federation of Chemical Employers' Associations** and the **Mining, Chemical and Energy Industrial Union** will examine the possibility of developing a low-threshold skills analysis tool which is particularly suited to SMEs, and which can be made available to the entire industry.

The **business community** will continue its studies on continuing education and training (e.g. the German Economic Institute's CET survey, the CET trends monitor produced by Stifterverband (Donors' Association for the Promotion of Sciences and Humanities in Germany), and the study on trends produced by the Wuppertaler Kreis,

¹⁵ For example: studies on indicators and factors relating to successful continuing education and training in companies in the context of Industry 4.0; in-depth analysis of pools of vacancies to identify digitalisation-related changes to job descriptions, the importance of digital skills in the dual training system, etc.

the federal association for in-company CET) and on demand for STEM professionals (the German Economic Institute's spring and autumn STEM reports), and will focus in future on CET requirements in the context of digital structural change.

The *trade unions* will continue their studies on working conditions (such as the Good Work Index) in order to draw conclusions about how working conditions affect continuing education patterns. The Hans Böckler Foundation will continue to support research on the topic of skills development requirements, CET requirements and the digital working world, and will also focus on CET requirements in the context of digital structural change.

The German Crafts Institute (DHI) has established a successful technology monitoring process in recent years. As a next step, the *Federal Ministry for Economic Affairs and Energy*, the Heinz Piest Institute for Craft Technology and the *German Confederation of Skilled Crafts* are examining how the findings about emerging new technologies can be implemented in the necessary skills development in the field of continuing vocational education and training. In addition to the individual institutes which make up the German Crafts Institute, the relevant research institutes should also be involved in this process.

The *organisation of the Chambers of Industry and Commerce* will increasingly focus on the areas of digitalisation and continuing education and training in its company surveys.

The *National Skills Strategy partners* will launch a stock-taking exercise and support and monitor the wide range of existing analysis tools.

III. Implementation process for the National Skills Strategy

The National Skills Strategy partners will maintain a continuous dialogue as they implement the strategy. The implementation activities will be coordinated and linked by a body which meets every six months. It will meet for the first time in November 2019 to agree on binding timetables for the individual commitments, where not already specified in the strategy paper. Where needed, policy development labs, for example, will be organised to explore individual objectives in greater depth. In 2021, a joint report will be produced reviewing the National Skills Strategy's state of implementation and objectives, and potentially updating them. The OECD will be asked by the Federal Ministry of Labour and Social Affairs and the Federal Ministry of Education and Research to provide specialist monitoring and support for the strategy's implementation process in the form of a country report on continuing vocational education and training in Germany.