

Vocational training, key to ratcheting up employability

To compete in the global arena, today's companies need a sufficiently skilled workforce, with employees acquiring new specialties throughout their career paths. To achieve this, vocational training is key.



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- **In times of rapid change, alternating periods of work with education and training can boost employability.**
- **There are three main models of vocational training in Europe: the Anglo-Saxon, French and German models.**

- **Vocational training can be an engine of economic growth, especially when companies' needs are met by the labor market.**

Structural deficiencies in labor markets have been revealed and exacerbated by the COVID-19 crisis. In some places, such as Spain, what companies are looking for and what job seekers are offering seem to be significantly mismatched.

The promise of vocational training to meet employers' demands in Spain is explored in a 2021 report by IESE's [Santiago Álvarez de Mon](#), holder of its José Felipe Bertrán Chair of Governance and Leadership in Public Administration, and Pilar García Lombardía. The report was prepared for the ATRESMEDIA Foundation as part of a project to promote vocational education as a means to boost youth employability.

Hybrid paths for hybrid jobs

In times of rapid change, when it's hard to predict which jobs will be most in demand 20 years down the road, it's especially difficult to maintain employability.

To adapt to an ever-changing environment, the report suggests following hybrid paths, with alternating periods of training and work experiences. Thus, a person with a university degree may work for several years at a company and then enroll in a vocational course in order to specialize in a certain field. Armed with a new specialty, the world of work may be reentered once again.

The role of business

Vocational training can be an engine of economic growth and employment. As such, companies should play an active role in underwriting and contributing to vocational programs, the report authors' argue. The private sector should do more than simply employ people with vocational degrees; it must help define and deliver the content.

There are three main models in Europe for delivering vocation training: a liberal market model, as seen in Great Britain; a state-regulated model, as seen in France; and a dual training model, as seen in Germany. The dual model combines input from companies with incentives and protections from the government.

European models of vocational training

	LIBERAL MARKET MODEL: GREAT BRITAIN	STATE-REGULATED MODEL: FRANCE	DUAL TRAINING MODEL: GERMANY
Where is the vocational training carried out?	Several options: in schools, in companies, simultaneously in schools and companies, etc.	In special vocational schools.	Training alternates between companies and vocational schools following a fixed schedule.
Who determines the content of the vocational education and training?	The market or individual companies, depending on the needs.	The government (with its social agents). Training tends to deliver more general and theoretical knowledge, rather corporate practices.	It is jointly decided by employers, workers unions, and the government.
Who pays for vocational training?	As a general rule, the person who receives the training pays for it. Some companies finance their own courses.	The government collects a training fee from companies to finance vocational training, but only for a fixed number of applicants each year.	Companies finance their own internal training and can write-off some of the costs. Apprentices receive an amount established by contract. Professional schools are funded by the state.

Source: created by the report authors.

In today's globalized labor market, the right technical training is a good predictor of success. Employees who can continue to acquire new skills throughout their professional careers can boost competitiveness. Vocational training, backed by companies, is key.

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