

**Orientation paper
for the cooperation between
the German Chambers of Commerce Worldwide Network (AHKs)
and Festo Didactic locations abroad**

The DIHK (Association of German Chambers of Commerce and Industry) and Festo Didactic have established that there is currently very strong demand abroad for dual vocational training based on the German model, and that this demand is likely to persist for the foreseeable future. Through their international networks, they are registering this demand as coming directly from German companies abroad, as well as from foreign governments and vocational training institutes. They are being approached directly on the subject with requests to provide assistance.

At the same time, Festo Didactic and the DIHK, each in its own way, are closely linked with the quality aspects of dual vocational training in Germany as a result of their many years' involvement in this area. They advocate the preservation of the key elements and unique selling points of the dual vocational training system, such as

- The focus on in-company training
- The combination of practical training and theoretical vocational school training
- The focus on occupational competence
- The high level of personal, professional, methodological and didactic suitability of the trainers
- The assurance of the quality of practical in-company training by the Chambers of Commerce and Industry and other chamber organizations

They also wish to promote, consolidate, and maintain these key elements abroad. It is against this background that this orientation paper has been written.

1. About Festo Didactic and the DIHK and AHKs in general

DIHK and AHKs

The Deutsche Industrie- und Handelskammertag e.V. (DIHK) is the umbrella organization of the Chambers of Commerce and Industry (IHKs) in Germany and coordinates the German Chambers of Commerce Worldwide Network (AHKs), with 130 locations in 90 countries. A core mission of the DIHK, in collaboration with the IHKs in Germany, is the provision of central functions in the area of dual vocational training, based on the IHK Act and the German Vocational Training Act. A further core mission is the promotion of foreign trade, in collaboration with the IHKs and AHKs. In this context, securing the supply of skilled personnel by way of vocational training on the part of the AHKs abroad is playing an increasingly important role.

The AHKs in their locations around the world are the platforms for promoting German foreign trade. They perform three separate functions, acting as the official representation for German business, as a member organization and as a service provider for companies. In their role as service provider, the AHKs are systematically establishing or expanding their range of vocational training services. In this role, they are supported by the IHKs, whose structures and tasks they adopt in modified form in their locations. The DIHK acts here as a coordinator and organizational developer. It is in this role that the DIHK has contributed to the preparation of this orientation paper.

Festo Didactic

Festo Didactic is a leading global equipment supplier for technical training institutes, and a globally active consulting and training provider. The company is part of the Festo Group, a worldwide supplier of industrial automation technology with annual sales of approx. € 2.3 billion and 16,700 employees in 250 international locations (as of 2014).

In 2014, Festo Didactic acquired the Canadian company Lab-Volt, allowing it to expand its range of products and services significantly. Today, with around 700 employees, it generates approx. € 150 million in sales of laboratory equipment for technical vocational education and training, learning factories, as well as providing training and consulting services in connection with vocational education and training. Festo Didactic designs and provides dual vocational education on behalf of Festo AG in the commercial and industrial technology sectors. Festo Didactic's aim is to systematically prepare people for work in complex and dynamic industrial environments through the provision of appropriate vocational education and training. For this reason, the central focus of all its operations is on maximizing learning success in schools and training centers, as well as on the long-term development of employees' occupational competence in, and on behalf of, industrial enterprises. Work-related and dual principles of vocational education and training play a central role in this context. Festo Didactic thus creates maximum productivity for its clients, while at the same time ensuring a high standard of quality and level of flexibility.

Festo Didactic would like to further expand the excellent cooperative relationships it currently enjoys with industrial enterprises. To this end, the company is also seeking to cooperate with the DIHK and the AHKs in the respective countries. The objective is to enable German companies abroad to offer the same standard of vocational education and training they are familiar with in their home country. The principle of duality – which closely links the “school/training center” learning venue and the “enterprise” learning venue – is of special importance in this respect. Only by applying this principle can adequate consideration be given to the needs of companies in the more practical part of the vocational education and training program, and the actual development of occupational competence be promoted.

2. About vocational training activities of IHKs, DIHK and AHKs, as well as by Festo Didactic abroad

IHKs, DIHK, and AHKs

The IHKs have been active since their foundation providing vocational training services directly to, and on behalf of, German companies. In recognition of the services of the chamber organizations in this field, legislators added other roles to the corporate mandates. Pursuant to the Chambers Act (IHK-Gesetz) of 1955, vocational training is one of the central tasks of the IHKs. In accordance with the German Vocational Training Act of 1969 (last amended in 2005), the IHKs have comprehensive responsibility for the central tasks of monitoring, quality assurance, and certification.

The IHKs were very successful in the performance of the central tasks through regular alignment of the dual training system to the current economic situation. As a result of the challenges involved in ensuring a supply of skilled employees for German companies abroad and for foreign governments, the quality of the services provided by the IHKs has been followed with great interest around the world. To an increasing degree, the AHKs are meeting this demand for information and services (in coordination with and supported by the DIHK) in close collaboration with the IHKs.

The AHKs' approach is to continue establishing themselves as platforms for the topic, which can then offer their services to all relevant local and German stakeholders and key players. Festo Didactic is one such key player and is therefore one of the potential cooperation partners for the AHKs in promoting dual training abroad.

Festo Didactic

Since the 1960s, Festo Didactic has been developing vocational education and training programs relating to industrial automation technology. The courses are taught in the training departments at the Festo plants and at company training locations in 61 countries around the world. Additional training centers are operated in cooperation with local partners as FACT Centers (Festo Authorized and Certified Training Centers).

Festo Didactic considers vocational training in accordance with the dual principle to be a crucial factor for ensuring high quality and productivity in the performance of professional tasks. Only through occupational competence at specialist level can companies respond to the dynamic market demand flexibly, promptly and in line with quality standards.

For this reason, Festo Didactic has for many years been making considerable efforts to introduce skilled personnel training in accordance with the dual principle outside Germany too. The objective is to establish a full vocational training program in accordance with the current training regulations.

The cooperation between external and in-company learning venues is as critical in this regard as factors like providing basic training, practice-oriented stints in specialist departments, ensuring the high personal, professional, methodological and didactic suitability of the trainers, and the holding of final examinations in accordance with the requirements set out in the framework curricula for training. As prime examples of these efforts, we should mention at this point the establishment of company training centers at the Festo plants in Jinan (China) and Sofia (Bulgaria).

In tandem with this, Festo Didactic aims to design vocational training programs for its clients in accordance with the dual principle. Because of the special time constraints in connection with advanced vocational training, Festo Didactic focuses on providing specific role or job assignment qualifications and on covering learning areas based on current training regulations.

Finally, in addition to its own vocational education and training activities, Festo Didactic offers a range of consulting services relating to vocational training based on the dual principle. For example, Festo Didactic advises a large number of international corporations on the development of suitable curricula, plans with them the consultation and cooperation between in-house and external training venues, and develops the required training concepts on their behalf. This encompasses both the qualification of coaches and trainers in client companies, and the qualification of teachers in state vocational schools. A comprehensive portfolio of skills profiles forms the basis for this, with detailed descriptions of skills and levels for a wide range of work tasks.

3. Joint objectives of DIHK and Festo Didactic

It has become apparent that many of the dual training projects that were introduced top-down in the past failed in their aim of redesigning an entire educational system because the conditions for a national dual system were not in place. Successful dual education projects were often introduced either by companies themselves or by vocational training institutes.

Ensuring and improving the quality of vocational training programs has nowadays assumed greater importance. As a consequence of the competitive and cost pressures faced by many companies, the efficiency of training is becoming a key tool for guaranteeing competitiveness. In light of the uncertainties on the labor market and the increasingly brief half-life of knowledge, it is crucial to ensure high quality standards for vocational education and training. As a result, establishing transparent quality standards will become an indispensable component in the vocational training provider's range of services. DIHK, AHKs and Festo can build on their many years' experience in developing and certifying dual vocational education and training programs to create an attractive certification range in the field of technology, with a focus on industrial production. By adopting and transferring tried and tested curricula and procedures, the aim is to achieve enhanced efficiency, as well as to ensure international quality assurance and the comparability of the programs. International standards are an important criterion for staff selection and development, in particular for German industry, with the global scale of its activities.

In this context, DIHK and Festo Didactic will endeavor to ensure that, to the extent that is feasible and desirable, the AHKs and the Festo national subsidiaries coordinate their intentions and resources and make use of their respective skills and competences to guarantee the success of the cooperation.

4. Core competences of Festo Didactic and AHKs in relation to possible partnerships worldwide

Festo Didactic

Festo Didactic possesses the following core competences, which will be incorporated into the framework agreement:

- a. In-depth knowledge of and comprehensive experience in the field of vocational training in accordance with the dual principle, both in-house and at client companies
- b. Development of curricula or modification of the requirements specified in the framework curricula for training to meet the needs of industrial clients
- c. (Re-) Design of training concepts in accordance with the dual principle, while giving special consideration to the cooperation between the in-company and external training venues
- d. Preparation and modification of skills profiles for trainees, trainers, and teachers
- e. Global technical and didactic qualifications (skills development) for trainers and teachers
- f. Global development, implementation and evaluation of demand-driven vocational education and training measures for employees in industrial enterprises
- g. Proven concepts and methods, ranging from an analysis of training needs and skills development, through to control of the learning success as a means of supporting vocational education and training
- h. Measurement and evaluation of training success and skills development based on test results and key business figures

Wherever possible and expedient, the AHKs can use these skills to ensure the professional and successful implementation of dual vocational training programs worldwide.

The AHKs

As the platform for the relevant local German businesses, the AHKs have the following core competences:

- a. Initiation and organization of processes with incorporation and utilization of the competences and capacities of local and German network partners
- b. Mobilization of said network partners for such vocational training activities as are required and have added value

- c. Lobbying and system consulting on securing the supply of skilled personnel through providing company training
- d. Establishment and development of structures to ensure the quality-assured organization and implementation of company-based training
- e. Preparation, and if necessary, modification, inspection and approval of curricula
- f. Quality assurance in the area of vocational training, such as in the form of company visits
- g. Engagement to gaining local accreditation for training programs
- h. Commitment to gaining recognition for vocational training qualifications in the context of the German Federal Recognition Act in cooperation with the IHKs
- i. Organization of final examinations for trainees
- j. Issue of certificates to trainees who pass vocational education and training examinations

In all potential cooperation activities, the Festo national subsidiaries and AHKs shall ensure compliance with the known quality standards from Germany, which will be modified where necessary to local conditions. In this context, the DIHK list of criteria for the quality categories of German dual vocational training programs abroad can form a key basis for these partnerships.

5. Forms and framework conditions for possible partnerships

In partnerships between AHKs and Festo Didactic locations worldwide, optimal use can be made of each party's core competences. As a general rule, the costs for the respective services provided by the partners must be covered, for example through revenue from the services provided.

Specific partnerships between AHKs and Festo Didactic shall be agreed locally in the relevant countries.

Festo Didactic offers its services internationally. The Festo Didactic range of services is mainly directed at German industrial enterprises manufacturing abroad. Among other things, it includes the following areas of focus:

- Consulting on the introduction of basic or advanced vocational training in accordance with the dual principle
- Analysis of personnel requirements in the company
- Analysis of training requirements
- Development or modification of curricula in the context of the vocational training structures created by the AHKs (vocational training boards)
- (Partial) implementation of the vocational education and training)
- Coordination between in-house and external training venues
- Professional and methodological qualification of trainers and training officers, based on the DIHK 'AdA-International' qualification concept
- Professional and methodological qualification of teachers in vocational schools
- Evaluation of vocational training results

A partnership in the relevant countries is the responsibility of the AHKs in question on the one hand, and of the Festo national subsidiaries or Festo Didactic national managers and project managers on the other. It shall be demand-driven. The nature and scope of cooperation will subsequently depend on the particular constellations and objectives of the cooperation in the country concerned. The AHKs shall each operate based on the close integration of their vocational training structures, in particular the vocational training boards and examinations committees.

The AHKs' focus in such partnerships shall generally lie on quality assurance and certification of the training programs, on network management and the involvement of local German companies, whereas Festo Didactic shall contribute its competence in relation to the development and implementation of the programs themselves.

6. Communication and coordination between Festo Didactic and DIHK

DIHK and Festo Didactic shall communicate the content of this orientation paper in their respective organizations. They agree to hold coordination meetings at regular intervals in Berlin or Denkendorf. They undertake to communicate the benefits of and options from the orientation paper in their respective organizations and to make every effort to breathe life into it. The results of partnerships between AHKs and Festo locations abroad will be incorporated into any further development of this orientation paper.

Berlin/Denkendorf, May 2015