

# Executive summary

## Challenges of apprenticeship in micro-enterprises

by André Pahnke, Annette Icks, Siegrun Brink

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Institut für  
Mittelstandsforschung

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## **Executive summary**

For years the number of trainee places in micro-enterprises has been declining: Not only are companies finding fewer and fewer interested young people, but the number of micro-enterprises providing training is also declining. At the same time, competition for trainees has generally intensified. This study provides a more in-depth insight into the unique situation of micro-enterprises, analyses the reasons for the declining training participation of micro-enterprises and raises awareness of the need to monitor further developments on the training place market.

### **Fewer companies train more skilled workers**

Micro-enterprises are falling behind in terms of training. Since 2014 there are more trainees in large companies than in micro-companies, thus leading to a declining training rate in the smallest companies. However, the number of employees subject to social insurance contributions in the companies is increasing overall.

### **Under-recording of micro-enterprises providing training**

The official calculation of training participation does not include those companies that offered training places but were unable to fill them and have no other trainees in the company. This applies in particular to micro-enterprises: if training places cannot be filled, the statistical training commitment in this size category falls.

### **No general withdrawal of micro-enterprises from training**

Our research results show that the proportion of micro-enterprises offering training places and thus the willingness to provide training has increased. It is therefore not possible to speak of a withdrawal of micro-enterprises from dual vocational training. However, micro-enterprises have to struggle with staffing problems much more frequently than larger companies.

### **Lack of or unsuitable applicants cause problems in filling vacancies**

If training places remain unfilled, companies attribute this primarily to a lack of or unsuitable applicants. However, rising costs and the organisational effort associated with training also lead companies to withdraw from the dual VET. Irrespective of this, some of the smallest companies do not need to train skilled

workers themselves or need skilled workers who have already been trained and can be put to productive use immediately.

### **Micro-enterprises with problems in retaining trainees**

More problematic for micro-enterprises are the more frequent early termination of training contracts after the probationary period. To increase their appeal as a training company, micro-enterprises often offer their trainees a take-over guarantee. If micro-companies entitled to provide training withdraw completely from dual VET, (opportunity) costs often play a decisive role. From the point of view of individual micro-companies, it is more favourable to recruit trained skilled workers in the external labour market than to train young people themselves.

### **Keeping an eye on the problem of micro-enterprises in economic policy**

Even though the disadvantageous development of the training situation for micro-enterprises has been recognised in the recent past and initial measures have been initiated, economic policymakers should monitor the success of the initiatives closely to be able to counteract the threatened loss of training enterprises - especially among micro-enterprises.