



Good Practice Global CSR: Vocational Training  
**RHI Youth Employability Program**

# Global CSR: Vocational Training at Sites in Emerging and Developing Countries

By improving technical vocational training that is oriented towards industry demand, RHI actively contributes to creating a win-win situation for business and society around its sites in Mexico and Turkey. Because professional qualification gives young people and companies perspectives.

## Youth Employability – Global RHI Programme

Within its sustainability agenda, the Austrian refractories company RHI set the target to – in addition to existing initiatives – build up a group-wide social responsibility programme with exemplary character. The key aspects of RHI's social agenda were know-how transfer as well as education and training to enable young people to access the labour market. Especially in emerging countries RHI is confronted with significantly varying levels of education and often also a lack of skilled workers. Educational systems are rarely able to meet the growing demand of the labour market in terms of quality and quantity. This is why RHI started its first global CSR programme "YEP – Youth Employability Program" in September 2013.

## Business & Development – Partnership with Added Value

By including local stakeholders, know-how partners and the Austrian Development Cooperation, RHI took advantage of existing synergies to foster its social agenda. Under the umbrella of a strategic business partnership, the Austrian Development Agency ADA supported the 3-year project in cooperation with the Austrian Development Bank OeEB by funding 50 percent (around 350,000 Euros) of the project costs – including a previous feasibility study.

# YEP

YOUTH EMPLOYABILITY PROGRAM



## YEP at a glance:

YEP, RHI's first global CSR programme, sought for long-term improvement of technical vocational training for young people at the RHI sites in Ramos Arizpe (Mexico) and Eskisehir (Turkey).

**PROJECT TERM:** 3 years (kick-off September 2013)

**TOTAL VOLUME:** approx. 700,000 Euros

**TARGET GROUP:** youth between 15 and 18 years



„We see at our locations in emerging markets that young people are often in need of a better technical qualification. With YEP we foster – together with local partners and stakeholders – labour market oriented and sustainable vocational training. By doing so we invest in the future.“

**STEFAN BORGAS**  
CEO, RHI



„We are glad to have RHI as a partner to realise a project with a broad social impact that creates an added value far beyond business interests.“

**MARTIN LEDOLTER**  
Managing Director, ADA

## ICEP Know-how for a Global CSR Programme

The Austrian development organisation ICEP has a clear aim: to bring people to business and business to the people. ICEP therefore provides support for companies and organisations in the analysis, conceptual design and implementation of projects worldwide.

In order to develop global CSR programmes close to the core business, it is particularly necessary to identify and address the social challenges within the business environment while taking into consideration the company's own resources and know-how. Often existing initiatives within the company can be put to account and integrated.

RHI's global 'employability' programme was based on the so-called apprentice training, which had already been well established in Austria and Germany, in order to meet the demand for professionals in emerging countries. As a know-how partner, ICEP supported RHI throughout the whole process; from defining the content of the project to implementation and reporting.

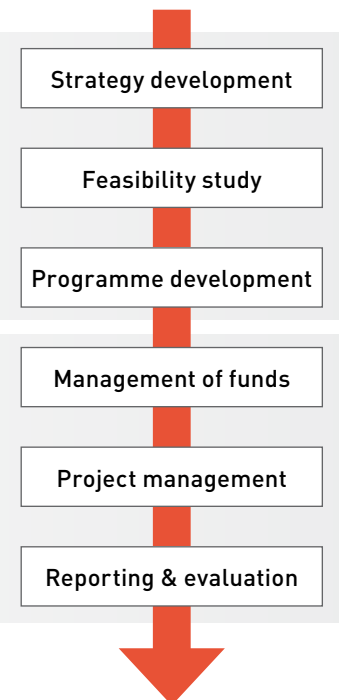
## ICEP Services in Detail

### Structuring: Analysis & Planning

The evaluation of existing activities and the mutual identification of corporate and social challenges in a global context were the base of RHI's CSR approach. A co-financed feasibility study evaluated the demand and project scenarios in Turkey as well as an implementation scenario in Mexico, India and Brazil. The results served as a basis for the „Youth Employability Program“ in Mexico and Turkey.

### Implementation: Coordination & Control

Human and financial resource efficiency are both a challenge and an opportunity for achieving a sustainable impact. Through public funding and by including local stakeholders and ICEP as project manager, RHI consciously ensured an effective use of resources. ICEP assumed all tasks concerning project management and management of funds, including coordination and monitoring of local partners.



# RHI Youth Employability Program in Mexico

Building up a demand-oriented dual vocational training programme at the RHI site in Ramos Arizpe for electrical mechanics, instrument mechanics and mechatronic technicians – including training of trainers and integration of the local industry and Ministry of Education.

## Status Quo

Mexico's economic upswing confronts companies like RHI with the challenge of an extremely high demand for qualified technicians, which the existing educational system is currently only able to meet to a limited extent. The Mexican government therefore increasingly promotes initiatives to foster dual training. However, there is still no unified legal framework for apprentices, nor are there training standards or measures to establish on-site (vocational) training. Some companies – mainly large companies with the capacity to build up their own apprentice workshops – do offer on-site training. The disadvantage of this kind of training is that, first, graduates do not receive any official certificate that proves their skills, and second, that they only receive training for the particular processes and machines of a certain company.

## Powerful Partners – Powerful Programme

ICEP and RHI were working together with a large number of strong partners and relevant stakeholders: The employers' association COPARMEX took over the project lead in Mexico. In cooperation with the 3-year vocational school CONALEP and the German-Mexican Chamber of Industry and Commerce CAMEXA a dual curriculum for the training programmes for electrical mechanics, instrument mechanics and mechatronic technicians was developed which is officially recognised by the Mexican Ministry of Education.



'We are glad to contribute to the improvement of dual training in Mexico. The newly designed programmes are part of a pilot project; they will show other federal states how dual training programmes can be implemented in cooperation with the private sector.'

**LUÍS ARIZPE**  
President, COPARMEX



'Thanks to a smart rotation plan our apprentices get to know all steps of the working process. This allows our employees to develop problem solving skills and to get an overview over the whole production process.'

**EDMUNDO GARCIA**  
HR Director, RHI Mexico



**PROJECT LAUNCH 2013:** RHI, COPARMEX, CONALEP and the Ministry of Education at the official kick-off meeting of the dual training programme YEP.



**AWO-FORUM 2014 MEXICO CITY:** Leitl (Austrian Chamber of Commerce) and Ledolter (ADA), López, Monroy (COPARMEX), Garcia and Gomez (RHI) introduced the project to interested companies.

## Standards for Dual Training – Mexican Style

It is not possible to simply copy German or Austrian models for dual vocational training and implement them in Mexico. Together with CAMEXA, training standards were therefore adopted to the local context, while prioritising the integration of the industry to guarantee unified Mexican quality standards. Other important sustainability factors are permanent working contracts for apprentices as well as social security (i.e. appropriate remuneration). Addressing these factors means supporting young people with income, especially from socially underprivileged families, and preventing young people from dropping out of education.

### Building up Internal Training Structures

Training at school and on-site is new to Mexican companies. The project set up structures which, even beyond the project term, offer participating companies expertise for building up a training programme both for apprentices and instructors and provide support concerning the choice of apprentices and quality assurance. The programme's centrepiece is the so-called rotation plan, which contains every single workstation of the company, documents individual learning content and protocols apprentices' progress.

### A Program for Apprentices

As Mexican adolescents are not permitted to work before the age of 16, they spend the first year of their apprenticeship in school only. After this year of basic training the apprentices are placed in different companies, where they undergo another two years of training in order to obtain an official apprenticeship certificate at the end. In fact, they receive two certificates: one from CONALEP and the Ministry of Education, and one from CAMEXA, which is based on 10 criteria of the German standard, which enhances the young people's employability on the Mexican labour market.



**KNOW-HOW TRANSFER:** RHI instructors and apprentices benefit from one another; CONALEP teachers perform quality checks.



**TRAINING AND ROTATION:** Each company drafts a rotation plan that shows exactly what the apprentice will be taught at which machine.

### Milestones

**356 APPRENTICES**  
completed on-site training

**27 COMPANIES**  
in Saltillo and Ramos Arizpe incorporated apprentices and have a rotation scheme.

**84 MASTER CRAFTSMEN**  
trained as on-site instructors and commissioners for apprentices.

**36 TEACHERS**  
obtained training and supervised the apprentices in the companies.

### Outcome

Since autumn 2016 Coparmex Coahuila continues YEP independently. Now the technical dual education is a permanent part of the apprenticeship offer in Ramos Arizpe, Coahuila.

# RHI Youth Employability Program in Turkey

Strengthening training for industrial mechanics and electricians at vocational high schools around the RHI site in Eskisehir by integrating the industry, providing technical and educational know-how to teachers and improving the curriculum.

## Status Quo

Technical vocational training has become less and less popular throughout the past years, mainly because graduates from vocational schools were denied admission to university. This was changed in the course of an education reform in 2012. In addition, compulsory school was extended to 12 years. Unfortunately the issue of on-site vocational training was not taken into account within the reform, nor have the capacities at schools been increased. At the same time, the industry's demand for highly qualified electricians and mechanics has been growing for the past years. MAS, the local RHI subsidiary, was confronted with school graduates showing major gaps in their practical and theoretical skills that had to be filled through training within the company.

## Promoting Partnerships – Strengthening Skills

RHI chose TEGEV to manage the project in Turkey, as the foundation has been promoting demand-oriented technical vocational training for many years. Together with the TEGEV subsidiary CbyT (Certified by Tegev), Festo as technical know-how partner, various vocational schools, the local industrial association ESO and the University of Eskisehir, all project partners were working towards strengthening the skills of teachers, instructors and headmasters. In a second step, the schools' curricula were substantially improved to foster technical training for young people in Eskisehir that is oriented towards the demand of the local labour market.



„The quality of training programmes in Turkey varies greatly, depending on the school. Even if graduation from school officially corresponds to level 4 of the European Qualification Framework (EQF), this does not at all mean that graduates meet the industry's requirements. This gap is what we are addressing and trying to close.“

**ALPAZ ÖZKAN**  
President, TEGEV



„Good quality is one of our major concerns and can only be guaranteed if we have qualified employees. YEP helps improve the theoretical and practical skills of our young skilled workers. This is exactly what we need! In this field, we have become a role model in Turkey.“

**EKREM BULUR**  
Plant manager Eskisehir, RHI



**PROJECT LAUNCH 2013** Ekrem Bulur (RHI) and Lale Bauer (TEGEV/CbyT) signing a Memorandum of Understanding, next to ICEP and ESO.



**KICK-OFF EVENT** More than 70 people – teachers, headmasters, industry representatives – took part and worked out different fields of action.

## YEP Cluster: for Industry, Teachers and Pupils

Adjusting industry and school to one another means, especially in Turkey, bringing together two very different institutions: On the one hand there are companies without tradition in training but with increasing demands towards their employees; on the other hand there are public schools with a long tradition but mostly outdated curricula. In order to be able to adjust theory and practice to one another, cooperation is essential. This is why the very first education cluster was founded in Eskisehir, uniting companies and schools, teachers and skilled workers to work together and exchange their expertise.

### Technical and Educational Know-how

Based on a comparative analysis of the pupils' skills and the skills required by European educational standards, TEGEV, together with the schools' technical department heads, developed a new curriculum for the training programs 'industrial mechanic' and 'industrial electrician'. Additionally, specialist subject teachers were provided with training and introduced to the latest technologies. Moreover, skilled workers from industrial companies were trained as internal instructors and an exchange with teachers was initiated, to ensure that both companies and pupils would gain maximum benefit from the compulsory internship in the last year of school.

### Dual Pilot Training

The educational cluster enabled the structured exchange and communication between school and industry. Through this collaboration, a best practice pilot project could be initiated that offered a company-based practical training for 11th grade pupils – accompanied and supported by their teachers and company instructors who also received training. Furthermore a delegation of 23 Turkish cluster members visited Austria to learn about the Austrian vocational training system.



**SCHOOL & INDUSTRY:** Thanks to RHI the Eskisehir education cluster was founded. The pupils are proud that their school is part of it.



**TEACHERS, PUPILS AND COMPANY INSTRUCTORS:** There is plenty to learn, not only for the pupils but also for the teachers and company instructors.

### Milestones

#### 1 EDUCATION CLUSTER

headed by the chamber of industry, public administration, schools, companies and NGOs

#### 82 STUDENTS

in 11<sup>th</sup> grade completed their practical apprenticeship in companies.

#### 10 MASTER CRAFTSMEN

were trained as company instructors.

#### 26 TEACHERS

received technical and pedagogical training

#### 5 COMPANIES

incorporated students as part of the pilot course.

### Outcome

Since autumn 2016 the industrial chamber carries the Eskisehir education cluster forward.



ICEP is an independent Austrian development organisation with a clear goal: to bring people to business and business to the people. ICEP advises partners in developing countries as well as companies on how to integrate poor people into economic cycles, and implements projects worldwide.



The corporAID platform for business, development and global responsibility offers companies a space for information, communication and mainstreaming and puts global poverty alleviation on the agenda of Austrian companies. auf die Agenda österreichischer Unternehmen.

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