Internationalisation Strategies of German VET Providers: Core Driving Forces and Reflections About Demand

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1. Starting point: why considering internationalisation strategies of German VET providers?

Vocational Education and Training (VET) (IVET and CVET)

- Economic development
- Social development
- Often VET offers lacking

http://www.oecd.org/skills/vet.htm
Motivation?

Drivers and obstacles towards internationalisation?
2. A selection of relevant statements and studies

1. Direct transfer of VET services or systems is difficult, if not impossible (Wolf, 2017; Wiemann et al., 2019).

2. Export of VET is influenced by certain factors, so-called drivers and obstacles (MOEZ study, 2012) and can be seen as one expression of market entry strategies (Kutschker & Schmid, 2011; Gessler & Kühn, 2019; Hilbig, 2019a).

3. Internationalisation strategies are dynamic to enable adaptations of the strategy itself or its innovation element (Kutschker & Schmid, 2011).

4. A VET provider’s business model as well as market entry strategy can be seen as the sum of all made transfer considerations (Hilbig, 2019a; b).
3. Research Questions

1. Which drivers and obstacles are most relevant for German VET providers in the context of internationalisation?

2. What motivates German VET service providers to enter new markets?

3. What can we learn in terms of business models of German VET service providers in international markets?
4. Research approach

Research question 1:
New survey based on the MOEZ (2012) categories and Re-arrangement by market criteria (Saleh & Saleh, 2020)
Online-survey (n= 37) aiming validation of MOEZ findings

Research question 2:
Re-arrangement by different groups of motives (Saleh & Saleh, 2020)
Online-survey (n= 37) aiming validation of MOEZ findings

Research question 3:
Findings of RQ1 and RQ2
Integrated analysis of RQ1 and RQ2
5. Findings for research question 1

Most relevant drivers (n=31)  

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Item-Scale (example)</th>
<th>Mean</th>
<th>α</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Political dimension</strong></td>
<td>Flanking by political actors</td>
<td>2.55</td>
<td>.692</td>
</tr>
<tr>
<td><strong>Socio-cultural dimension</strong></td>
<td>Design of relationships in the project country</td>
<td>5.77</td>
<td>.597</td>
</tr>
<tr>
<td><strong>Economic dimension</strong></td>
<td>Worldwide presence of German industry</td>
<td>5.17</td>
<td></td>
</tr>
<tr>
<td><strong>Technological dimension</strong></td>
<td>Linking of technology and education</td>
<td>5.62</td>
<td></td>
</tr>
</tbody>
</table>

Most relevant obstacles (n=31)

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Item-Scale (example)</th>
<th>Mean</th>
<th>α</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Political dimension</strong></td>
<td>Incompatibility at systemic level</td>
<td>4.10</td>
<td>.743</td>
</tr>
<tr>
<td><strong>Socio-cultural dimension</strong></td>
<td>Little/no acceptance of VET in the target country</td>
<td>4.37</td>
<td>.641</td>
</tr>
<tr>
<td><strong>Economic dimension</strong></td>
<td>Limited scope for pricing</td>
<td>3.39</td>
<td>.774</td>
</tr>
<tr>
<td><strong>Technological dimension</strong></td>
<td>Lack of technical infrastructure (teaching &amp; demonstration)</td>
<td>5.56</td>
<td></td>
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</table>
5. Findings for research question 2

Most relevant motives to go international with a VET business model

<table>
<thead>
<tr>
<th>No.</th>
<th>Item (n=31)</th>
<th>Group(s) of motives</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Reaction on identified demand in the target country</td>
<td>3</td>
<td>80,6</td>
</tr>
<tr>
<td>2</td>
<td>Received direct request</td>
<td>3</td>
<td>61,3</td>
</tr>
<tr>
<td>3</td>
<td>Existing networks in the target country</td>
<td>3; 1</td>
<td>58,1</td>
</tr>
<tr>
<td>4</td>
<td>Strong VET demand from German enterprises in the target country</td>
<td>3; 1</td>
<td>58,1</td>
</tr>
<tr>
<td>5</td>
<td>Current shortage of skilled workers in the target country</td>
<td>3</td>
<td>51,6</td>
</tr>
</tbody>
</table>

1 = growth-oriented  3 = customer-oriented
2 = competition-oriented  4 = other (mainly personal reasons)
Motivation?

Drivers and obstacles towards internationalisation?
Market entry decisions mainly based on potential:
- Relationships
- German industry abroad
- Technology & education linkage
What do we learn about business models of German VET providers?

- They follow customer- and growth-oriented motives
- They orient the market entry in socio-cultural and economic potential
6. Discussion

Early involvement of customers

Customers’ needs

Empathic identification of local needs

Active balancing of interests

Presence and Transparency

Shared problem solution as result of negotiation?

Service providers’ interests

Active communication
References


Thank you for your attention!
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