ibw research brief

Issue No. 94 | July 2016

ISSN 2071-2391

SABINE TRITSCHER-ARCHAN, KURT SCHMID

The master craftsperson examination in Austria

A graduates' survey commissioned by the Austrian Federal Economic Chamber (WKÖ)

he "master craftsperson" position has a long tradition and is of major importance in the sphere of skilled crafts and small businesses. The master craftsperson qualification pursues high objectives: its holders should have comprehensive specialist competence enabling them to take on responsibility in an executive position for carrying out complex tasks, often combined with tackling unforeseeable challenges. The exam additionally aims to demonstrate that master craftspersons can set up/manage a company and train apprentices. Based on available data - the master craftsperson qualification is not covered at all, or only vaguely, in education statistics as it does not build on any formal education and training pathway - it has not been possible to date to prove whether the qualification's high objective is actually achieved. But the results of the graduates' survey¹ confirm this: after passing the master craftsperson exam, graduates who have in their majority acquired their specialist foundation by completing an occupation-specific initial vocational education and training (IVET) pathway and several years of company practice very frequently advance to higherlevel positions with more managerial and decision-making powers. But many of them also become selfemployed by setting up their own company or taking over a business. The facts and figures obtained by this empirical "reality check" show that the master craftsperson qualification indeed fulfils these objectives. In addition, based on this data, it seems legitimate to allocate this qualification to Level 6 of the NQF - a classification which is demanded by a majority of participants in current discussions on the master craftsperson qualification.

Background

When the **National Qualifications Framework (NQF)** was established in Austria, the master craftsperson qualification was mentioned in the Austrian Referencing Report², which was presented to the European Commission in early 2012, as a **reference qualification for Level 6**. Although this (provisional) level allocation was the result of comprehensive research activities and a large number of expert talks, no empirical findings have been furnished to date which either confirm or contradict this allocation hypothesis.

This graduates' survey now aims to close this information gap. Among other things, this survey empirically explored the impact this qualification has in the business sphere, such as on the graduates' professional position, their income situation, etc. The objective of this survey was to subject the **objectives pursued with this qualification** to a "**reality check**" and examine if the master craftsperson qualification also fulfils its high objectives in terms of specialist competence, company management and apprenticeship training. Another goal was to determine – based on the data obtained – if arguments

can be found for the provisional allocation of the master craftsperson qualification to Level 6.

Another goal of this project was to compare the Austrian master craftsperson qualification with its counterparts in Germany and Switzerland as the qualifications in these countries are largely similar to the Austrian qualification and level allocations there are consequently also of high relevance for Austria. In the two countries, the qualification which is equivalent to the Austrian master craftsperson qualification is allocated to Level 6 and 7 respectively.

The survey findings build on the evaluation of **705 questionnaires** filled in by master craftsperson exam graduates – mainly from the years of graduation of 2011 until 2013 – between October and November 2015. In relation to the total number of addressees (4,815) the **response rate** was therefore around **15%**. A comparison of the survey population with the response rate in terms of the graduates' distribution by province, gender and specialist area proves the study's high degree of representativeness.

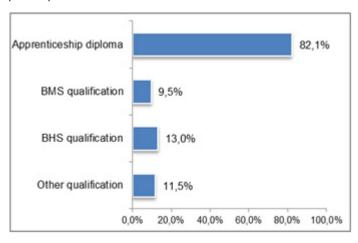
Main results

The main results of this study can be summarised as follows:

(1) Situation before the master craftsperson exam

The vast majority of all master craftspersons – a total of 82% - who took part in the ibw survey acquired an apprenticeship diploma as their IVET qualification before taking the master craftsperson exam (MCE). Other educational qualifications (such as from schools for intermediate vocational education (BMS) and colleges for higher vocational education (BHS)) are mentioned (far) less frequently as previous qualifications (cf. Diagram 1). Although since the 2002 amendment to the Trade, Commerce and Industry Regulation Act (Gewerbeordnung or GewO) an apprenticeship diploma is no longer a prerequisite for taking the MCE, this high number nevertheless demonstrates that apprenticeship training is still the most common access pathway to the master craftsperson qualification. For over 88% of respondents, the specialist area of their MCE was moreover the same or related to their IVET qualification.

Diagram 1: IVET qualification before acquisition of the master craftsperson qualification



Source: 2015 ibw MCE graduates' survey

As well as an occupation-specific IVET qualification, the obligation to acquire **professional practice** as an access criterion for the MCE was also waived for applicants. Since then, the sole requirement for admission to the MCE has been full legal age. Nevertheless the results of the ibw survey underline the importance of professional practice. Only about 10% of the questioned master craftspersons took the MCE after less than one year of professional practice. 90% had at least one year of professional experience, however, and 27% did not take the MCE until they had acquired ten years of practice. Based on the assumption that the average age of MCE graduates is the age determined by this study (29.7 years), it

can be seen that MCE candidates have **about ten to eleven years of professional experience** (after successfully passing the apprenticeship-leave exam or *BMS*) when acquiring this qualification. Similarly to the IVET qualification, for the majority of respondents (91%) professional practice is also acquired in **a subject area which is the same as or related to** the MCE.

Before taking the MCE, most of the candidates (around 60%) were employed at **skilled workers' level**. Around one quarter already had a managerial position at middle level, some 15% worked as executives at a higher level before taking the MCE.

(2) Preparatory courses

Candidates for the master craftsperson qualification do not need to complete any compulsory training pathway. Most exam candidates (some 87%) still attend **preparatory courses** on a voluntary basis, mainly at the Institute for Economic Promotion (WIFI). The participants mention a range of **motives** for attending a preparatory course: they create more security and confidence for them as usually the entire exam syllabus is covered in these courses. In addition, these courses enable exchanges with other exam candidates. Without attending the course, many feel unable to pass the exam.

Of the total of 13% who do not attend any preparatory course, 30% point out that they could learn everything in self-study. This reason was mentioned in particular by those respondents who have an occupation-specific IVET qualification in line with the specialist area of their MCE. This suggests that they already acquired the theoretical foundation for their MCE in the course of their previous educational career and are "refreshing" it now in self-study. Other reasons given by them include professional practice, which made candidates feel prepared as well as possible for the exam without attending a preparatory course.

Overall, course participants are (very) **satisfied** with the preparatory courses. What they criticise most often, however, is that the costs are too high and they do not understand why the master craftsperson training is connected with high costs overall whereas programmes offered by universities and universities of applied sciences can (largely) be attended free of charge or are financed by the State.

(3) Examination success

The MCE comprises a total of five modular exams: modules 1 to 3 are subject exams, module 4 is the entrepreneurial exam, module 5 the IVET trainer exam. About three quarters of all exam candidates pass the individual modular exams at the first attempt. Most of those who need more than one attempt state personal reasons

as the likeliest reasons for their failure (had not studied enough, were prepared insufficiently, etc.).

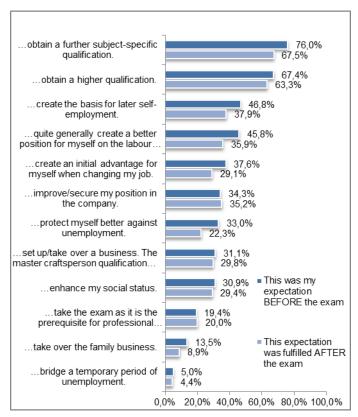
(4) Effects

To analyse the effects of the master craftsperson exam, the participants in the ibw survey were requested first of all to state the expectations they had before the exam and indicate if these expectations were also fulfilled after the exam (cf. Diagram 2). Basically, their expectations can be divided into four areas: most frequently, the participants voiced expectations linked with their desire to acquire a subject-specific further qualification (76%) and a higher qualification (67%), especially to secure their labour market position and/or create an "initial advantage" for themselves when changing jobs. Expectations related to the topic of self-employment rank second. Although they are also stated frequently, they are not - as one might assume at the top of the participants' list of motives for the MCE. Some 47% of the master craftspersons who took part in the ibw survey said that they wanted to take the exam as the basis for becoming self-employed later. Around one third of the respondents already had concrete plans for their self-employment, some 14% intended to take over their family's business. The master craftsperson qualification is also linked with expectations for in-company career options. More than 34% of the master craftspersons had the intention to improve or secure their position in the company by taking the exam. 19% of the respondents wanted to take the exam because it is considered a prerequisite for career advancement in their company. The fourth area where they expressed expectations when taking the master craftsperson exam is their social standing. Around one third of the interviewees mentioned the improvement of their social status as a motive for taking the MCE.

The data analysis shows high "degrees of fulfilment" with all expectations mentioned by the respondents, which means that the extent to which these expectations were met is rather high overall. A particularly high degree of fulfilment (of 95.8%) can be observed for the statement that the master craftsperson qualification was acquired to obtain the certificate of competence (Befähigungsnachweis) if offered a specific option for self-employment. The expectation of taking over the family business was put into practice least frequently. However, the degree of fulfilment refers to the time the survey was conducted, which is why it is indeed possible that this expectation will be fulfilled in the future, i.e. that the company will be transferred at a later point in time.

Diagram 2: Expectations before the MCE – expectations met after the MCE:

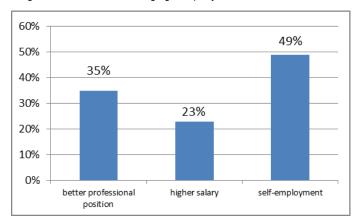
I wanted to...



Source: 2015 ibw MCE graduates' survey

The effects of the MCE were defined based on three aspects. First of all it was explored whether, and for which motives, the graduates had **changed to another company** after the exam. Some 60% of the respondents stated that they stayed in the same company after the exam/by the time of the survey, more than 40% changed to another company. Almost one in two who had changed company had the motive of becoming **self-employed** (cf. Diagram 3). More than 35% of those who had changed to another company were employed in a better position in their new company, 23% were paid a higher salary.

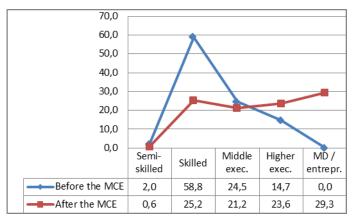
Diagram 3: Reasons for changing company after the MCE



Source: 2015 ibw MCE graduates' survey

The high share of those who stayed at the company after the exam underlines the fact that the master craftsperson qualification is not obtained *a priori* to become self-employed. Instead it is acquired in order to have a subject-specific further and higher qualification, which — depending on circumstances — is rewarded with in-company advancement options.

The findings of the study actually reveal that the position/career status of 60% of the respondents changed after the exam. Around three quarters of master craftspersons hold an **executive position** (in a company or as entrepreneurs) after the exam. Whereas the share of those who carried out skilled workers' activities before the exam declined sharply (from around 60% to 25%), there was a clear increase in the proportion of those who held an executive position mainly at higher level (e.g. as department heads) or the position of managing director after the exam (cf. Diagram 4). This data confirms that the MCE is by all means beneficial for professional advancement. It also shows that the objective pursued with the qualification – that is: taking on decision-making and managerial powers (in addition to the master craftsperson's competence) – is actually achieved.



Exec. = executive; MD = managing director; entrepr. = entrepreneur Source: 2015 ibw MCE graduates' survey

Clearly positive effects of the MCE can also be found in terms of the graduates' **income situation**. Some 43% of the respondents stated they had benefitted from the MCE with a raise in income: for some 27% the additional income is combined with a change of position in the company caused by the higher qualification, for 16% their success in the MCE led to a higher income although their field of activity remained the same.

In addition to the mentioned effects on whether they have remained at their company or changed company and on their professional position and income, the respondents stated other effects of the MCE. Almost 90% of the interviewees confirmed "knock-on effects" of their MCE, all of which are reflected as (triggers of) positive changes. These can manifest differently, whether in the sense of personal "upgrading" by gaining prestige or improving their image (in the company, among clients, in their circle of friends and acquaintances and in their own family) or very specifically in "measurable" company-specific parameters with positive impulses for the order situation, customer acceptance and turnover development. Frequently, however, the MCE also helps improve the graduates' self-image and increase their confidence.

(5) Further development

When questioned about possible future developments, more than half of the master craftspersons stated that the acquisition of the qualification should entitle graduates to hold an internationally understandable title. For 43% of the respondents, the master craftsperson qualification should entitle holders to be admitted to a study programme at a university or university of applied sciences, for one third of the interviewees it should even replace parts of a subject-specific study.

Critical remarks about the current situation include statements made by some master craftspersons who would advocate the re-introduction of a compulsory practice period as this contributes substantially to the master craftsperson's competence. Furthermore they say that master craftspersons should be shown greater appreciation. Subject-specific skills should be recognised as much as academic knowledge. They added it was not necessary to provide every qualification with an academic touch but rather to give more recognition to higher vocational qualifications which are obtained outside the tertiary sector.

The entire study can be downloaded from http://www.ibw.at/de/ibw-studien (in German).

¹ cf. Tritscher-Archan, Sabine / Gruber, Benjamin / Nowak, Sabine / Petanovitsch, Alexander (2016): Die Meisterprüfung in Österreich. Absolvent/innenbefragung [The master craftsperson examination in Austria. A graduates' survey]. ibw research report no. 184.

² cf. BMUKK / BMWF (2011): Austrian EQF Referencing Report. Vienna. Download: https://www.oead.at/fileadmin/lll/dateien/lebenslanges_ler-nen_pdf word xls/nqr/EQR-Zuordnungsbericht/OEsterreichischer EQR - Zuordnungsbericht.pdf (26.7.2016).