



European Construction Sector Observatory

Policy measure fact sheet

Germany

Deutschland baut (Germany builds)

Thematic objective 2

March 2016

Implementing body:	Deutschland baut! e.V. supported by the German Ministry of Infrastructure, Construction and Urban Development
Key features & objectives:	A strategic network aimed at improving the attractiveness of the construction sector and counteract the shortage of skilled workforce on the German market
Implementation date:	January 2013
Targeted beneficiaries:	SMEs, construction companies, tradesmen & trade service companies, graduates and young workers
Targeted sub-sectors:	Construction services and products
Budget (EUR):	Budget not disclosed ¹

In a nutshell

With a share of 8.1%² of all employment in the general German economy, the construction sector is a major pillar of the German economy. Although the sector is currently experiencing slow growth, persistently negative employment prospects in the late 1990s/early 2000s may have impacted the sector's popularity in the years that followed the financial crisis: According to a study from 2007, only 18% of a representative sample of the German population³ considered the sector to be an attractive employer⁴. Demographic changes and the difficulty of finding adequately skilled employees continue to be a concern for many employers.⁵ In 2012, only 6% of workers with a tertiary degree in the construction sector were under 30 years old, while more than one third of architects and civil engineers were over 50 years old.⁶

Initiatives to make the construction sector more attractive to young talents are not new. The regional construction federations of Baden-Württemberg and Nordrhein-Westfalen, for example, have launched a common campaign to improve the negative image of the industry; however, attempts have not been sufficiently coordinated and have been too short term to be able to alter the image of the industry.

Launched in 2013, "Deutschland baut! e.V." is a registered association recognised by the German government. It is currently under the

patronage of the former German Minister of Infrastructure, Construction and Urban Development, Mr. Peter Ramsauer. It was

The network activities are designed to address the lack of skilled construction workers in Germany. They include training and recruitment initiatives, as well as marketing campaigns and support for small companies. The network brings together organisations from the whole value chain, enabling members to network, collaborate and share experiences and resources (e.g. professional training programmes and resources).

The initiative has been widely welcomed by the public and private sector, due in part to the successful involvement of well known politicians and renowned construction companies. The initiative has succeeded in stimulating debate and open dialogue on specific actions being implemented to address the shortage of adequately skilled labour, which is an issue of concern for many companies.

The initiative has built up a network of 80 fee-paying member organisations in 3 years and has attracted attention for its diverse activities. Given the initiative's long-term mission to change the image of an entire industry, only looking at measurable short-term impacts achieved to-date would be doing injustice. Over the next 10-15 years, 'Deutschland baut!' aims to enlarge its membership base to 500 member organisations, to upscale its trainee programme and to gain recognition as a network of high-quality employers.

General description

"Deutschland baut!" primarily targets the upskilling and recruitment of university graduates and young workers as the best way to address the skills shortage and to help the sector to become sustainable.

The initiative's key objective is to encourage and support effective collaboration amongst construction sector entities across the entire value chain to create a more skilled workforce, to improve technology and the sharing of information and knowhow. It aims to become the sector's marketing voice, speaking on behalf of all active organisations in the building industry, including engineering companies, tradesmen and trade service companies, architects, technology and service

providers, construction material suppliers, industry associations and research organisations.

The network plans to grow considerably in the medium to long-term. It strongly encourages applications from all private and public organisations involved in the building sector value chain. The network's operational costs are based on a two-scale membership fee system. While organisations represented in the Steering Committee carry large parts of the network's costs, smaller organisations are given the opportunity to pay a much lower membership fee.

The core features of the initiative are:

- A **web platform**. This platform enables network members to post their job vacancies, which applicants can filter by location, degree of experience and keywords;
- A **virtual system**, the "Deutschland baut Akademie" (training academy). This resource takes co-operation between member organisations one step further. Its goal is to make training seminars that are delivered by member organisations available to all network employees. By effectively co-operating in the field of training and development, synergies are created allowing members to specialise in specific training activities and to take advantage of the broad training expertise of the entire network. Wolff & Müller, for example, offers a comprehensive list of regular training courses that range from common construction techniques (e.g. cementing and formwork) to training on standard and construction specific software programmes;
- An 18-month **trainee programme**. Launched in October 2015, the trainee programme is run by the three steering committee members – Saint-Gobain Building Distribution Germany, VELUX Germany and WOLFF & MÜLLER Holding. It also helps smaller companies to communicate and reach out more effectively to university graduates and young workers;
- A **video competition** "Bauhelden" ("Building Heroes"). This competition is a marketing campaign that aims to enhance the image of the construction sector. It enables construction professionals to publicly share why they have chosen their profession and why they are passionate about it.

Another innovative component is the **digital personnel advisor**, which helps interested individuals to find the right construction job in line with their character and job preferences. The digital personnel advisor provides users with a multiple choice questionnaire, and upon completion, suggests one or several job profiles and interesting employers.

Achieved and expected results

In the long-term, the network intends to further extend its growth and activities. The network expects to reach a critical mass size of around 500 organisations over the next 10-15 years. The network also expects to become a recognised brand of quality in the industry, for example, in terms of compliance with occupational health and safety

guidelines – a brand that will extend to all its members. As members, smaller companies in particular can expect to benefit from the network's high quality construction company and employer brand. This branding is expected to raise the industry profile of its members, increase business opportunities and make its members more attractive employers.

Success in reaching out to the target audience is demonstrated by data extracted from website traffic as well as by the video competition "Building Heroes". The website has seen considerable traffic for a network launched three years ago, in particular from areas with high concentration of technical universities, e.g. Berlin, Osnabruck and Hildesheim. Surprisingly, 7% of website traffic originated from internet domains from the United States showing that the initiative does attract international attention.

Table 1: Website traffic (Jan 2013-Nov 2015)

Total traffic	45,000
Regular visitors	4500
Average of pages accessed	10

Source: Deutschland baut! interview

The video competition encourages construction professionals to promote their profession via a short video recording. With 100 applications received and approximately 17,000 video clicks recorded, organiser expectations have been far surpassed. Three winners were nominated by the Ministry for Infrastructure, Construction and Urban Development and received awards of up to €3,000.

Table 2: Media reach of "Bauhelden" video competition

Total applications received	100
Total awards	3
Video clicks	17,000

Source: www.deutschlandbaut.de

"Deutschland baut!" has significantly expanded its membership base. Launched in January 2013, the initiative currently has more than 80 members, many of whom are large employers in the construction sector. Membership is equally attractive to small and medium-sized companies because it affords them access to high-quality training courses and materials, as well as marketing tools and support, such as the online virtual exhibition platform.

With regards to the trainee programme, three graduates were selected from a large pool of applicants. One was qualified in business administration, the other two in civil engineering. The programme is tailored to the interest of each trainee. Trainees can also take advantage of the diverse training courses provided by the 'Deutschland baut!' Academy and can receive a guaranteed job offer in a member organisation. The plan is to extend the trainee programme to 5-7 trainees in 2016, and 10-15 in the medium-term.

Perspectives and lessons learned

The network's varied activities have managed to bring together actors from across the construction sector, and the initiative has been widely accepted by different stakeholder groups. The network is also stimulating debate, strategic thinking and coordinated action to address the shortage of skilled labour, which is affecting many construction companies today.

The initiative shows that fee-paying member networks can provide an effective platform for large and small company involvement and collaboration. One factor in its success is that 'Deutschland baut!' distinguishes between steering committee members that pay significantly higher fees and other organisations that have less decision-making power and pay lower membership fees.

From an **industry and membership perspective**, one lesson learnt is that a successful image campaign needs to promote the joy of working in the building industry, an industry where unique products are created every day. This is important because there is a need to counteract the negative image of the industry that is often portrayed in the press and media, e.g. reporting of failed large projects, corruption, high black market share, etc.⁷ Another perspective to point out is that smaller member organisations view their investments in the network as not being returned on a 1:1 basis in the short- and medium-term. Given the initiative's long-term orientation, there is a need to go beyond a 1:1 linear thinking approach and make investments that will help to secure a skilled labour force in the future.

Having hosted some of the network's activities (e.g. Building Heroes), the German Government is benevolently following the initiative. From a **government perspective**, the 'Deutschland baut!' network demonstrates that the German construction industry is proactively engaged in changing its own image and is working to tackle the industry's skills shortage. There is a particular shortage of engineers and IT-specialists, and with demand expected to increase in the future, skills shortages are expected to place an additional strain on the industry. According to the Department of Construction at the Ministry for Economy and Energy, evidence for the skills shortage is provided by employments trends in the past years: Despite booming labour utilisation, employment remains constant or even slightly decreases⁸.

From a **trainee perspective** (those who have begun their traineeships in October 2015), one lesson learnt is that the building industry offers a great diversity of professional profiles, even for specialised graduates or apprentices. Trainees are acquiring an overview of the entire value chain in construction, including the qualification demands and career perspectives in the sector. Trainees not only get a job guarantee, they also gain access to training from the Deutschland baut! Academy and other high-profile career development opportunities, e.g. Saint-Gobain's in-house career development programme⁹.

Comparison with other analytical sources

- This Policy Fact Sheet concurs with the Country Fact Sheet 2016 on Germany¹⁰: Macroeconomic indicators – demographic change
- Key economic drivers of the construction sector – employment;
- Key issues and barriers in the construction sector – skills shortage;
- Current Status & National Strategy to meet Construction 2020 Objectives – TO 2 – Skills.

Endnotes

- ¹ The association was not willing to provide information on the financial volume of the initiative. However, it indicated that 30% of the budget was used for internal expenditures, while 70% was used for member activities, e.g. the trainee programme, the "Bauhelden" video competition, etc.
- ² Contrary to the data from Eurostat 2015, the statistics provided by the German construction industry federation (*Die Deutsche Bauindustrie*) only see the share of the construction sector at 5.4% of total employment:
http://www.bauindustrie.de/media/documents/Charts_engl_Internet.pdf
- ³ The survey was based on a representative sample of the German population from 16 years of age comprising 2.085 interviews. The survey's objective was to obtain an overview on the reputation of the construction industry including their assessment of the industry as an employer.
- ⁴ Institut für Demoskopie Allensbach (2007). Das Image der Bauwirtschaft:
http://www.bauindustrie.de/media/uploads/Artikelbilder/Volkswirtschaft/1-1_studieimage-langfassung.pdf
- ⁵ SOKA-BAU (2014). Studie zur Attraktivität der Baubranche:
https://www.igbau.de/Binaries/Binary25194/Studie_Personalwerk_2014_0425.pdf
- ⁶ Institut für Arbeitsmarkt und Berufsforschung (2014). Der Arbeitsmarkt im Bausektor 2013:
<https://statistik.arbeitsagentur.de/Statistikdaten/Detail/201412/ama/heft-arbeitsmarkt/arbeitsmarkt-d-0-201412-pdf.pdf>
- ⁷ Based on enquiries with a representative from "Deutschland baut!".
- ⁸ Based on enquiries with a representative from the German Ministry of the Economy and Energy.
- ⁹ Based on enquiries with a representative from "Deutschland baut!".
- ¹⁰ European Construction Sector Observatory, Country Fact Sheet Germany, March 2016,
http://ec.europa.eu/growth/sectors/construction/observatory/index_en.htm