"Managing Education and Training in Firms/for Firms"

Spring term 2021

Lecturer: Prof. Dr. Samuel Mühlemann, LMU Munich

Contact: muehlemann@bwl.lmu.de

Module Number: MOEC0413

ECTS-Points: 3.0

Lectures:
Monday, 12.4.2021, 12:00-17:00
Thursday, 15.4.2021, 12:00-17:00
Thursday, 22.4.2021, 12:00-17:00
Monday, 26.4.2021, 12:00-17:00
Thursday, 29.4.2021, 12:00-17:00

Exam: Written examination: 27.5.2021, 8:00-10:00

Course website: http://www.business.uzh.ch/de/professorships/emap/teaching.html

Note: This module takes place online. The module will be recorded and the recording will be made available to students who cannot attend for unavoidable reasons.
It is possible to ask questions and discuss online via Zoom.

The examination of the module is carried out online. Online examination supervision (proctoring) is possible and is agreed upon booking the module.

General description:
This course views education and training in firms from an economic perspective with a particular focus on factors that are exogenous to a firm, such as national labor market institutions and educational policy. Moreover, we discuss how firm can influence the both the effectiveness and efficiency of education and training at the workplace.

Part I: Labor markets & Human capital theory

- Overview of the course
- Labor demand and supply
- Labor market equilibrium
- Frictional labor markets and search theory
- Returns to training for firms & individuals
- General vs. specific training
- Financing of training in competitive labor markets
- Financing of training in frictional labor markets

Part II: Evaluating the effects of workplace learning

- Measuring performance at work and its association with training
- Prediction vs. causation: What is the role of artificial intelligence/machine learning in the context of workplace learning?
- Evaluating the effectiveness and the return on investment for workplace learning

Part III: Workplace learning (formal, non-formal and informal learning)

- Formal, non-formal and informal learning
- Why do firms (not) train? The costs and benefits of apprenticeship training
- The role of labor market institutions: Germany vs. Switzerland
- How does the threat of poaching affect the provision of apprenticeships?
- Financial incentives for apprentices
- Effectiveness and efficiency of training subsidies
- Impact of training on innovation
- International aspects of workplace training

Basic literature:

Agrawal, A., Gans, J., & Goldfarb, A. (2018). Prediction Machines: The Simple Economics of Artificial Intelligence. Harvard Business Press.

Borjas, G.E (2015). Labor Economics, 7/E. McGraw-Hill.

Ehrenberg, R. & Smith, R. S. (2014). Modern Labor Economics, Theory and Public Policy, 12/e. Pearson.

Manning, A. (2011). Imperfect competition in the labor market. In: O. Ashenfelter & D. Card (eds.), Handbook of Labor Economics, Vol. 4, Chapter 11, 973–1041.

Muehlemann, S. (2016). The Costs and Benefits of Workplace Training. OECD Education Working Papers No. 143. Paris: OECD Publishing. http://dx.doi.org/10.1787/5jlpl4s6g0zv-en

Muehlemann, S. (2019). Measuring performance in vocational education and training and the employer's decision to invest in workplace training. In: Unwin, L. and Guile, D. (eds). Wiley Handbook on Vocational Education and Training, 187-206. Hoboken, Wiley Blackwell.

Wolter, S.C. & P. Ryan (2011). Apprenticeship. Handbook of Economics of Education, Vol. 3, ed. by R. Hanushek, S. Machin, L. Wössmann. Amsterdam: Elsevier North-Holland, 521-576.

Additional readings:

Acemoglu, D. & J.S. Pischke (1999). Beyond Becker: Training in imperfect labour markets. *Economic Journal* 108, F112–F142.

Acemoglu, D., & Restrepo, P. (2019). Automation and new tasks: how technology displaces and reinstates labor. *Journal of Economic Perspectives*, 33(2), 3-30.

Acemoglu, D., & Restrepo, P. (2020). The wrong kind of AI? Artificial intelligence and the future of labour demand. Cambridge Journal of Regions, Economy and Society, 13(1), 25-35.

Bassanini, A. & G. Brunello (2011). Barriers to entry, deregulation and workplace training: A theoretical model with evidence from Europe. European Economic Review 55(8), 1152–1176.

Bauernschuster, S., Falck, O., & Heblich, S. (2009). Training and innovation. Journal of Human Capital 3(4), 323-353

Bilanakos, C., Heywood, J. S., Sessions, J., & Theodoropoulos, N. (2018). Does demand for product quality increase worker training? Journal of Economic Behavior & Organization, 155, 159-177.

Bellmann, L., Gerner, H. D., & Leber, U. (2014). Firm-provided training during the great recession. Journal of Economics and Statistics (Jahrbuecher fuer Nationaloekonomie und Statistik), 234(1), 5-22.

Blatter, M., S. Muehlemann & S. Schenker (2012). The costs of hiring skilled workers. European Economic Review 56(1), 20-35.

Blatter, M., S. Muehlemann, S. Schenker, & S.C. Wolter (2016). Hiring costs of skilled workers and the supply of firm-provided training. Oxford Economic Papers, 68(1), 2016, 238–257

Dostie, B. (2018). The impact of training on innovation. ILR Review, 71(1), 64-87.

DeGrip, A. & J. Sauermann (2012). The effects of training on own and co-worker productivity: evidence from a field experiment, The Economic Journal 122(560), 376–399

Deming, D. J. (2017). The growing importance of social skills in the labor market. The Quarterly Journal of Economics, 132(4), 1593-1640.

Dionisius, R., S. Muehlemann, H. Pfeifer, G. Walden, F. Wenzelmann & S.C. Wolter (2009). Cost and benefit of apprenticeship training: a comparison of Germany and Switzerland, Applied Economics Quarterly 55(1), 7-37.

Dustmann, C. & U. Schönberg (2012). What Makes Firm-Based Vocational Training Schemes Successful? The Role of Commitment. American Economic Journal: Applied Economics, 4(2): 36-61. doi: 10.1257/app.4.2.36

Fitzenberger, B., Lickleder er, S., & Zwiener, H. (2015). Mobility across firms and occupations among graduates from apprenticeship. Labour Economics, 34, 138-151. doi:10.1016/j.labeco.2015.03.008

Hanushek, E. A., Schwerdt, G., Woessmann, L., & Zhang, L. (2017). General education, vocational education, and labor-market outcomes over the lifecycle. Journal of Human Resources, 52(1), 48-87.

Kriechel, B., S. Muehlemann, H. Pfeifer & M. Schuette (2014). Works councils, collective bargaining and apprenticeship training. Industrial Relations 53(2), 199-222.

Jansen, A., Leiser, M. S., Wenzelmann, F., & Wolter, S. C. (2015). Labour market deregulation and apprenticeship training: A comparison of German and Swiss employers. European Journal of Industrial Relations 21(4), 353-368.

Konings, J. & S. Vanormelingen (2015). The impact of training on productivity and wages: firm-level evidence. The Review of Economics and Statistics, 97(2): 485-497.

Moretti, L., Mayerl, M., Muehlemann, S., Schlögl, P., & Wolter, S. C. (2019). So similar and yet so different: A firm's net costs and post-training benefits from apprenticeship training in Austria and Switzerland. Evidence-based HRM: a Global Forum for Empirical Scholarship, in press.

Muehlemann, S. & S.C. Wolter (2011). Firm-sponsored training and poaching externalities in regional labor markets. Regional Science and Urban Economics 41(6), 560-570.

Muehlemann, Samuel and Stefan C. Wolter (2014). Return on investment of apprenticeship systems for enterprises: Evidence from cost-benefit analyses. IZA Journal of Labor Policy, 3:25.

Muehlemann, S. & Wolter, S. C. (2017). Can Spanish firms offer dual apprenticeships without making a net investment? Empirical evidence based on ex-ante simulations of different training scenarios. Evidence-based HRM: a global forum for empirical scholarship, 5(1) 107-118.

Muehlemann, S., Pfann, G., & Dietrich, H. (2020). Supply Shocks in the Market for Apprenticeship Training. Leading House Working Paper No. 143. University of Zurich.

Muehlemann, S. & H. Pfeifer (2016). The structure of hiring costs in Germany. Industrial Relations 55(2), 193-218.

Muehlemann, S., & Strupler Leiser, M. (2018). Hiring costs and labor market tightness. Labour Economics, 52, 122-131.

Mueller, B., & Schweri, J. (2015). How specific is apprenticeship training? Evidence from inter-firm and occupational mobility after graduation. Oxford Economic Papers, 67(4), 1057-1077.

Oswald, Y. and Backes-Gellner, U. (2014). Learning for a bonus: How financial incentives interact with preferences. Journal of Public Economics, vol. 118: 52-61.

Rupietta, C. & U. Backes-Gellner (2015). High quality workplace training and innovation in highly developed countries. Economics of Education Working Paper Series No. 74. http://repec.business.uzh.ch/RePEc/iso/leadinghouse/0074_lhwpaper.pdf

Sauermann, J. (2016). Performance measures and worker productivity. IZA World of Labor.

Schwerdt, G., Messer, D., Woessmann, L. & Wolter, S. C. (2012). The impact of an adult education voucher program: Evidence from a randomized field experiment. Journal of Public Economics 96(7-8) 569-583.

Stevens, M. (1994b). An investment model for the supply of training by employers. Economic Journal 104, 556–570.

Strupler Leiser, M. & Wolter S. C. (2017). Empirical evidence on the effectiveness of social public procurement policy: The case of the Swiss apprenticeship training system. Labour, 31(2), 204-222.

Tambe, P., Cappelli, P., & Yakubovich, V. (2019). Artificial intelligence in human resources management: Challenges and a path forward. California Management Review, 61(4), 15-42.

Tamm, M. (2018). Training and changes in job Tasks. Economics of Education Review, 67, 137-147.