



GROUP DISCUSSION 2: ENGAGING THE BUSINESS SECTOR IN VET

2:45 – 3:30pm



Agenda

- **Welcome & Intro**
- **SDC Input by Patrick Egli incl. Q&A**
Private Sector Engagement (PSE) and Vocational Skills Development (VSD) – some key concepts
- **DC dVET Input by Ingrid Portenkirchner incl. Discussion**
Motivating the Business Sector to Engage in VET
- **Wrap-up & Closing**

Private Sector Engagement (PSE) and Vocational Skills Development (VSD) – some key concepts

Exchange between the SDC and experts in VET in international cooperation

August 24, 2022

By Patrick Egli, co-head Inclusive Economic Development Expert Team



Definition

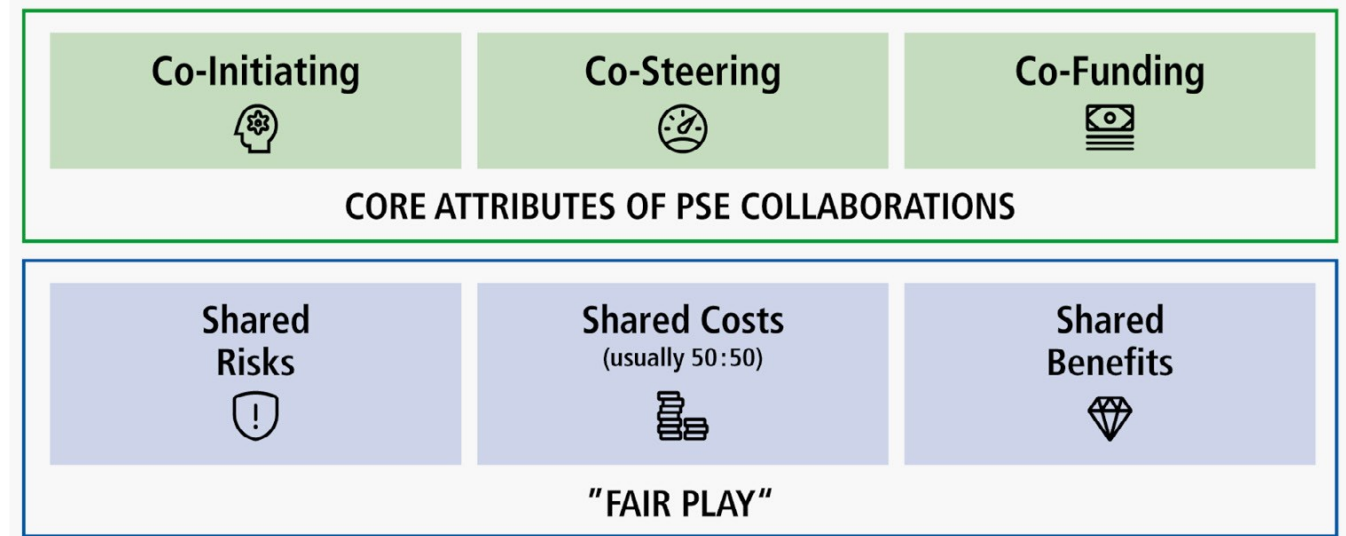
For the SDC, Private Sector Engagement (PSE) refers to

- **the SDC**
 - ... and one or several private sector partner
 - ...**joining forces on an equal footing**
- **for an impact-driven Development Intervention.**

PSE is not a thematic cluster but a **modality**: Engaging the private sector to jointly address certain system constraints.

PSE implies **co-initiating, co-steering, co-funding.**

Co-ownership of the project is what differentiates PSE from other forms of interaction with the private sector.



- Not all VSD projects – even if supporting the private sector are considered as a PSE modality
- **support VET institutions** (i.e. actors within the VET system of a country) not the same as to **partner with the private sector** (as shown in the DCdVET presentation)

Principles

- **Compatibility with the SDC's objectives**
- **Measurable development outcomes**
- **Additionality**
- **Complementarity**
- **Subsidiarity**
- **Avoiding the distortion of functioning markets and crowding-out effects**
- **Transparency**

Example: Improved sanitary education in Ukraine



Strengthening the VET systems for plumbers in Ukraine in partnership with Geberit. Leading to provide better employment opportunities for young plumbers.



Facts

- **Country:** Ukraine
- **Partner:** Geberit
- **Timeframe:** 2014 – 2023
- **Contribution SDC**
CHF 1.46M
- **Contribution Geberit**
CHF 432k



Objective

Improve the capacity of VET institutions to offer market oriented, practical, up to date sanitary VET courses (providing up-to-date knowledge on current technologies, standards, norms and regulations)



Process

Geberit approached SDC and together they initiated the partnership with the Ministry of Education. The project supports 25 VET schools to modernize the curriculum, provide modern equipment and develop the capacity of the teachers.



Benefits

- **For Geberit**
Skilled plumbers able to install Geberit material
- **For SDC**
Improved income opportunity for target group (with a plumber diploma certified by the Ministry of Education)



Thank you!

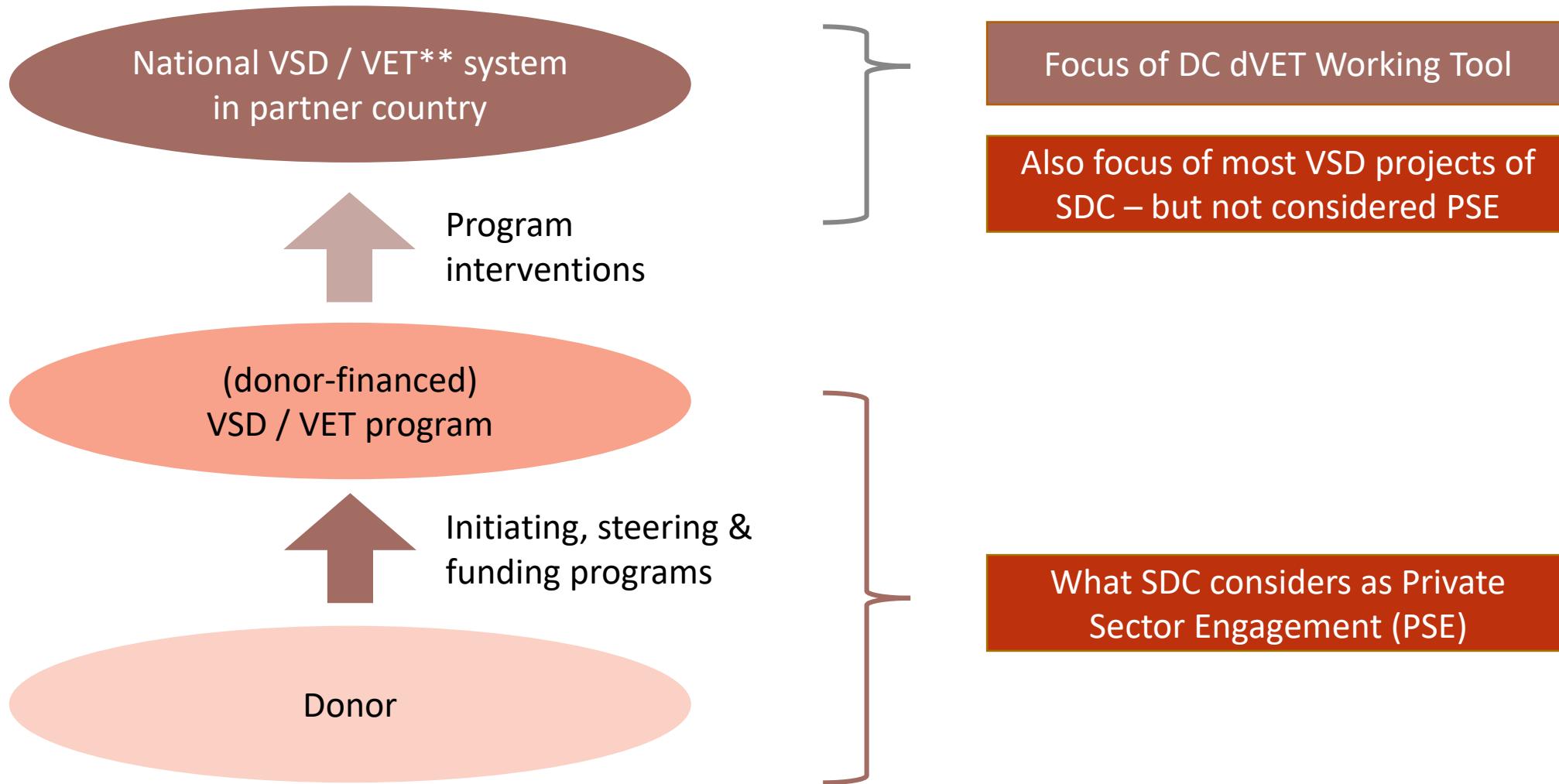
Motivating the Business Sector to Engage in VET

Group Discussion 2, Input by DC dVET

24.08.2022 / Ingrid Portenkirchner



Intro: Levels & Terminology*



Leading Questions for the Session

Engaging the business sector in VET:

■ Why?

→ Objectives & Challenges of Business Sector Engagement in VET

■ In what and how?

→ Areas of Engagement

■ How to convince?

→ List of arguments & role of financial incentives.



Goals of Business Sector Engagement

What do you consider the main goals of engaging the business sector in VET...

... at macro level?

Economic Objectives

e.g. developing human resources in companies on a sector or national level; increasing the level of qualification and productivity in a specific sector; strengthening the employability of employees

Social Integration Objectives

e.g. reducing youth unemployment; preventing social marginalization; tackling youth violence

Personal Development Objectives

e.g. increasing self-efficacy and motivation to learn; developing skills for shaping own life / earn a living

... at meso level?

Relevance

e.g. qualifications are needed and can be applied in practice

Quality

e.g. VET-graduates represent a high-quality qualification profile

Attractiveness

e.g. VET represents a pathway into a career which makes it attractive for school graduates, their peers and parents



Code: 4640 8361 (www.menti.com)

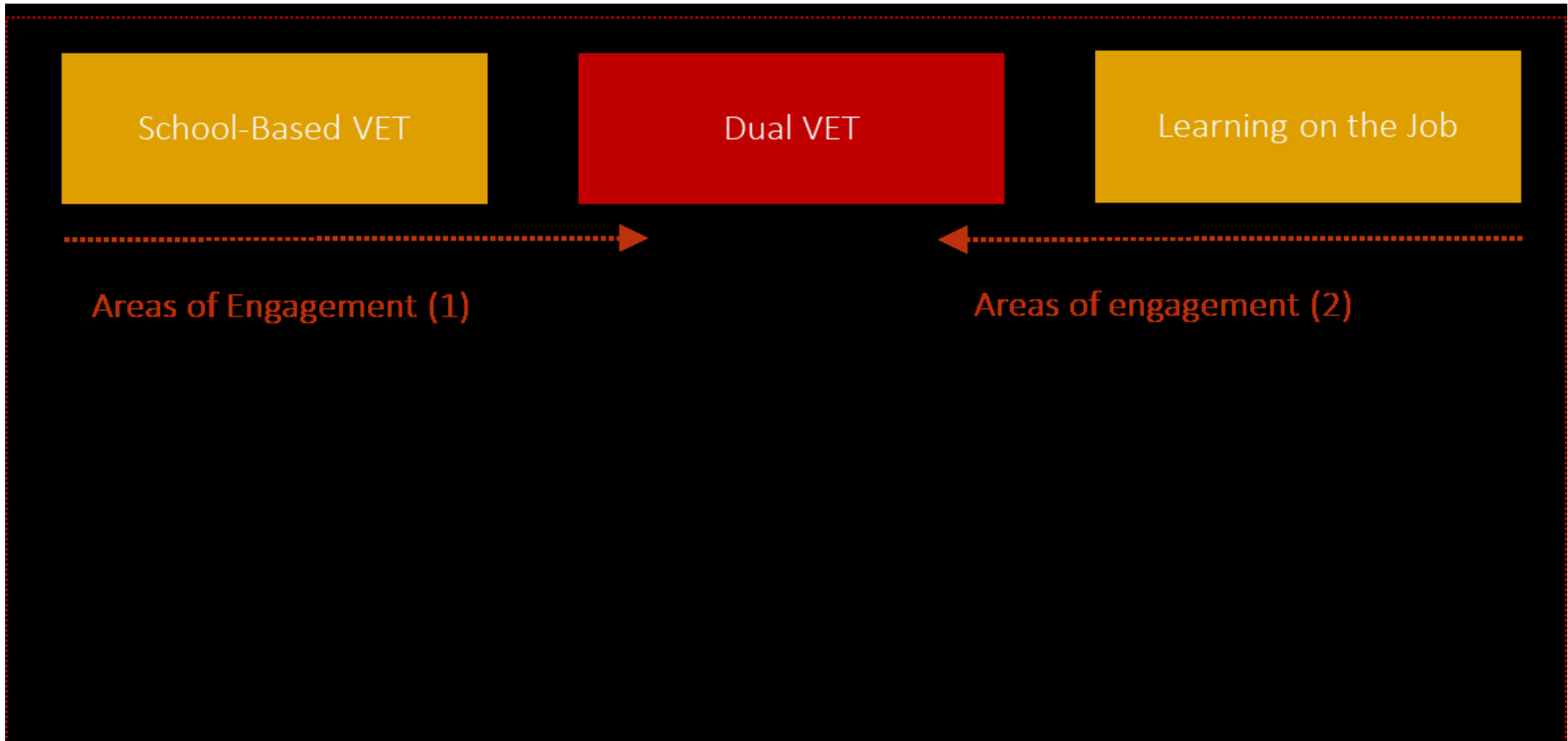
Challenges

Where do you see the main reasons why companies do not engage in VET?

- VET is regarded as a state responsibility / no tradition of PPP
- Low status of VET, lack of qualified applicants
- Unfavorable frame conditions e.g. legal status / unclear criteria or administrative hurdles e.g. too complex / too many rules
- Work-organization in the sector doesn't need skilled workers or the demand is met by additional training of existing personnel
- Unfavorable cost-benefit ratio
- The duration of the apprenticeships is too long / too short
- Not enough time / resources to train the trainee
- It is cheaper to hire qualified workers from the external labor market
- Fear of poaching / brain drain
- Lack of knowledge about possibilities
- Other: culture, custom, rights, status of women etc.



Areas of Engagement: Reference Framework



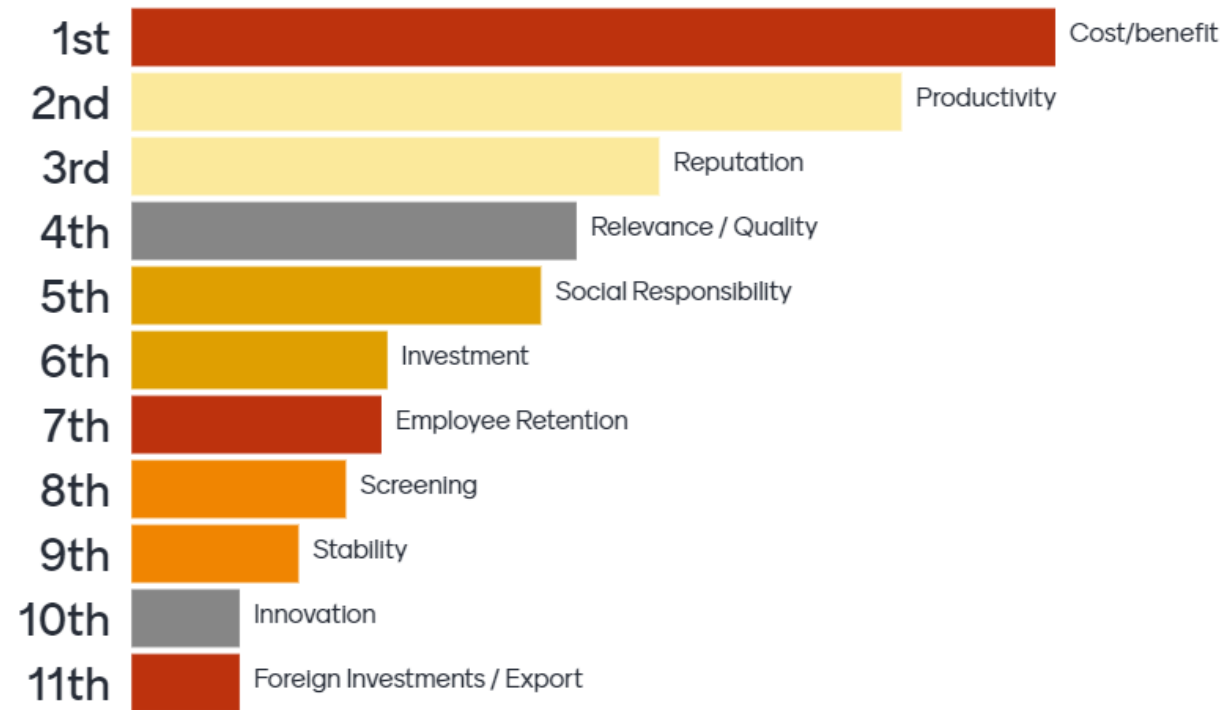
Arguments to Convince the Business Sector

Which arguments are the best ones to convince the business sector?

- **Cost/benefit Argument:** Benefits > costs during or after the training
- **Productivity Argument:** Skilled workers contribute to increased productivity, quality, and growth.
- **Investment Argument:** Training is an investment in the future of the company.
- **Screening Argument:** During training, potential future employees can be monitored & assessed.
- **Relevance / Quality Argument:** Business sector can increase relevance of the training.
- **Employee Retention Argument:** Creation of strong bonds that might lead to loyal employees.
- **Reputation Argument:** Contribution to a positive image for the company or a sector.
- **Social Responsibility Argument:** The company/sector can present itself as socially responsible.
- **Stability Argument:** Contribution to social and economic stability in the sector / country.
- **Innovation Argument:** Can be an important source and driver of innovation
- **Attraction of Direct Foreign Investment:** Skilled workers as a key criteria for investments
- **Advantage for Export Industry:** Skilled worker as key criteria for export



Which arguments are the best ones to convince the business sector?



DC dVET Thematic Resources

Working Tool on Engaging the Business Sector

- **Elements:** [Study](#) & [Questionnaire](#)
- **Goal:** Support to structure and implement the dialogue and design process for (increased) engagement of the business sector in the context of development cooperation.
- **Application:** Planning, reflecting or evaluating an approach.
- **DC dVET Offer:** Online Tools & Workshop to reflect on the results of the questionnaire

Further Resources

- [List of Arguments](#) to Convince the Business Sector
- Companies Engaging in Dual VET: Do Financial Incentives Matter? [Discussion Note](#)
- Cost-Benefit Considerations for Companies Engaging in Dual VET: Does it Matter? [Website with different resource material.](#)

Upcoming DC dVET Events

20 Sep 22

11:00am – 1:30pm CET
(online)

Webinaire Regionale Afrique de l'Ouest

Formation Professionnelle Duale en Afrique de l'Ouest:
Genre, Transition Verte et Quoi d'Autre?

20 Oct 22

10:00am -12:00 CET
(online)

New Technologies & E-learning

Peer Exchange on New Technologies in Dual VET &
Launch DC dVET E-Learning Module



Thank you

www.dcdualvet.org



DC dVET Interactive Map – Who we are

