

Summary VSD e-discussion week 3

In the third and last week of the online discussion, we focused on the topic of **“Collaborating with the private sector in VET system design, reforms and development”**. Participants shared their practical experiences from Albania, Kyrgyz Republic, Moldova, Nepal and Vietnam, complemented by many general inputs on the topic.

1. VET systems development as a political process

Firstly, we have to be aware of VET being a triad with social, economic and individual objectives, which leads to conflicting goals such as social inclusion vs. productivity; or mobility and career advancement vs. stability and continuity. Secondly, since VET systems by definition oscillate between public and private interests, we have to understand, accept and respect VET as a political process.

2. The “trust” and “continuity” dimensions

In Switzerland or Germany, mutual trust among involved private and public actors and long-term engagement in the development of highly qualified workforce are key characteristics of the VET system. In the partner countries, lack of such trust results in missing organisational structures of private sector actors among themselves, and most often in non-cooperative VET systems that are either fully private or fully publicly organised. But it should not be forgotten, that also in the Swiss VET system building trust was a real hardship, which also required some seed money from the federal government. Therefore continuity (donor long-term support) for building mutual trust is crucial.

3. The proactive role of “champions”: Intra- and Entrepreneurs

To stimulate change, we need champions in the private sector and in institutions, e.g. intrapreneurs, these are people in institutions taking risks to turning an idea into a result. Especially at the beginning of all VET activities, it is essential to look for them in all involved sectors/levels in the private sector (intrapreneur and entrepreneur networks), to build them into a VET-net, and to give them a voice. Without them “systems” will hardly move on. They have the courage and empathy to make things moving, they have personal relationship (networks) with different levels that help start new things to work.

4. Sector Skills Councils

Sector Skills Councils (SSC) are established around the world as an institutional approach to better link employers and TVET and to better communicate the demand for skilled labour to the supply side.¹

Participants from Albania, Kyrgyz Republic, and Moldova shared their experiences in setting-up and collaborating with SSC.

In Albania, the project is piloting the establishment of SSC for agro-processing, tourism and ICT. Members are business associations, lead companies, VET schools, the Agency for Accreditation of Curricula and universities. They plan to review curricula, develop and update occupational standards, conduct skills demand forecasts and develop workforce policies, improve internship schemes, and discuss on a regular basis other skill development issues. Funding shall come from the government, private sector and donors.

In the Kyrgyz Republic, seven SSC have been set-up so far, promoted by, amongst others, the association of employers.

The experience from Moldova exemplifies a “classic dilemma”. If approached by a project, the SSC are not willing to invest their own time and resources but want to be paid for every activity. Should projects fund activities of the SSC for a limited time and hope that after some years, the SSC will realize the benefit for their sector and take more ownership? But it might also be that once we start to pay for activities, which are in their own interest, we contribute to a problematic internal structure of the SSC. Once the SSC perceives itself a service provider and the project as

¹ For a definition of *Sector Skill Councils* consult also: European Training Foundation, Sector Skills Councils. What? Why? How? Contributing to better VET relevance to the labour market needs, 2013

the client, we might not get the right people in the SSC and sort of corrupt it. By ignoring the lack of ownership, we must not wonder if some SSC perceive themselves as service providers for projects and not primarily for their sector.

A possible solution might be to move ahead with the best and most committed SSC, which gives the others SSC more time to organize themselves better and which will lead to a stronger ownership of others, too. A potential way out of this dilemma could also be a bottom-up approach, detecting and rewarding existing (not only project-triggered) good practices, and building on existing approaches.

Why SSC are not established by employers, by their associations, besides very few exceptions? Education and training is not understood, and often is not the 1st priority; other business environmental issues, reduction of taxes, all kind of privileges and support from government, legal arrangements, and access to cheap money are higher on the wish list. Only when the SSC show that they are able to produce results, i.e. the right competent human resources in a relatively short time, able to improve competitiveness and productivity of the business, we might succeed and over time the employers will also see the benefit for a long term and continuous contribution.

5. Engaging at macro level remains challenging

While many projects realise how important it is to engage with the private sector at macro level (e.g. steering committee, technical committee, etc.), it remains challenging to actually do it. It is obvious that in VET it is impossible to find a “one-fits-all” solution. The private sector and individuals require diversity, whereas Governments and the bureaucracy aspire uniformity.

The effectiveness of private sector involvement at policy and governance level is fragile without established cooperation/participation on the ground and/or delivery level.

A widespread problem is that the private sector is active in VET, but that its activities are detached from the official system, and that the system does not even perceive, not to speak about recognise, what is going on the ground. Therefore, it is important to speak a common language (see also summary of week 1: Cooperation is about communication)

6. Compendium of national VET

A practical step towards working at the macro level is to elaborate an overview of the VET system and its components and programmes at national level, its context, the local and international actors, the barriers and the opportunities to date. It could include all active VET partnerships between the private sector, the education sector, local and national Government sector, local NGO, CBO and institutional involvement, international NGO and not at least the Swiss public and private sector engagement.

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