

**Summary of the three weeks online discussion on  
“Labour Market Orientation in Skills Development / TVET projects”  
(12<sup>th</sup> to 30<sup>th</sup> September 2011)**

*by Annett Hilpert (INBAS) & Katharina Walker (KEK) – facilitators of the online discussion*

The online discussion on labour market orientation was launched with the objective to identify ways and approaches to ensure labour market orientation in SDC skills development projects.

The discussion was facilitated by Katharina Walker (KEK, Switzerland) and Annett Hilpert (INBAS, Germany). The online discussion was started by the dissemination of an input paper (which was drafted following the e+i f2f meeting at Gwatt in May 2011). The e+i VSD network counts a total of 101 participants from SDC, SCD's strategic and operational partners, subject matter experts from other international donor agencies and consulting companies.

The online discussion focused on two questions which were consecutively fed into the discussion (starting with question 1 in week 1 and 2 and question 2 in week 3):

***Core Question 1: How do you ensure labour market orientation in your projects?***

*Please indicate at which point in the training process you intervene (pre-training, during training, after training) and how you assess labour market orientation specifically. Please also indicate which stakeholders (public and private sector, etc.) are involved, and how.*

***Core Question 2:***

*How can we ensure that the labour market orientation supported by the project continues after project completion, and how can we measure this? Please share examples of any successful or less successful past projects.*

During the three weeks of the online discussion (12<sup>th</sup> to 30<sup>th</sup> of September 2011) the facilitator team received 25 contributions from the following persons / projects or institutions (in order of appearance):

- **Arjeta Byci**, Swiss Cooperation Office, Vocational Education Support in Kosovo
- **Markus Maurer**, Institut für Gymnasial- und Berufspädagogik (IGB), University of Zurich
- **Wolfgang Schwegler-Rohmeis**, freelancer for GIZ (experiences from the Skills Development, Entrepreneurship Awareness and Employment project (SEE) in Lebanon)
- **Hans Schaltenbrand**, Swiss College of Agriculture Zollikofen
- **Peter Wunsch**, GIZ International Services (IS) (experience from a project on policy advice for the Ministry of Education in Georgia)
- **Simone Giger, Lea Zanola and Mersiha Culjevic**, Swiss Cooperation Office, Youth Employment Project (YEP) and Skills for Jobs Project, Bosnia and Herzegovina (BiH)
- **Elisa Roth**, Swisscontact, Mali (experience from F-Skills project Nepal)

- **Roland Stähli**, Swiss College of Agriculture Zollikofen, experiences from Latin-America and Asia
- **Ralph Rothe**, HELVETAS Swiss Intercooperation, experiences from the informal sector in Africa
- **Gunter Kohlheyer**, INBAS (SDC VSD backstopper)
- **Siroco Messerli**, HELVETAS Swiss Intercooperation, experiences from Nepal
- **Herbert Wahl**, GIZ, Vocational Education & Training and Employment Promotion Program, Kyrgyzstan
- **Hans-Dieter Hoepfner**, Uzbek-Swiss Water Management Skills Development Project, Uzbekistan
- **Hari Pradhan**, HELVETAS Swiss Intercooperation, experiences from Nepal
- **Rao Satapati**, CO-OPERAID, experiences from Kenya and Sri Lanka
- **Iilir Aliko**, Partnership for Learning, AlbVET/Swisscontact, experience from Albania
- **Ambroise Tapsoba**, Swiss Cooperation Office in Burkina Faso
- **Elisabeta Mitroi**, freelancer, experiences from Romania

The contributions of the participants to **Core Question 1: “How do you ensure labour market orientation in skills development projects?”** were analyzed, synthesized and clustered into 11 statements structured by the following 3 sub-categories:

- **Statement**
- **Problems encountered**
- **Activities, methods and instruments**
- **Lessons learnt**

The contributions to **Core Question 2 – the sustainability aspect of labour market orientation beyond project support** - are summarized at the end of this document.

### Statement 1:

Labour Market orientation is one of the most crucial factors **in each stage of the project cycle** of skills development / TVET projects since the aim of such projects is to equip the students with the knowledge and skills needed to successfully enter the labour market (employment / self-employment). It is therefore very crucial to set up an **organizational structure and “legislative backbone”** that allows and supports the **involvement and cooperation of all stakeholders** (and especially the private sector) in each stage of the project.

### Problems encountered:

- A weak cooperation of stakeholders (especially between the training providers and the companies) makes labour market orientation very difficult and could lead to a situation where **training providers stick to an inflexible training offer in traditional trades** such as carpentry, masonry, dress making etc. instead of focusing on (new) market oriented courses (*Rao Satapati, experiences from Kenya and Sri Lanka*)

### Activities, methods and instruments used to ensure stakeholder participation:

- Establishment of consultative and decision making bodies (e.g. sectoral committees representing a certain industry established by employers and trade unions who represent a reliable partner of dialogue for the Ministries) (*Elisabeta Mitroi, experiences from Romania*)
- Set-up regulations and laws (i.e. labour market orientation has to be laid down in the respective VET-system documents such as standards and curricula) (*Hans-Dieter Hoepfner, experiences from Uzbekistan*)
- Regional linkages between training providers and employers
- Responsibilities of each stakeholders are clearly stated in the project plan
- Innovative platforms of communication between the stakeholders (e.g. District Employment Review Forum – DERF of the Helvetas Project in Nepal) are means for bringing all stakeholders – and especially employers – on board of project activities and major decision (e.g. what training should be offered, trainees intake, placement possibilities) (*Hari Pradhan, experiences from Nepal*)

### Lessons learnt:

- The involvement of stakeholders (especially the private sector representatives) should be **institutionalized within consultative and decision making bodies**, on the end fixed by regulations or a law. (*Peter Wunsch, experiences from Georgia*)
- For the development or adaptation of trainings according to labor market needs, it is essential to establish a strong link to employers/ employing companies. This process, if started from scratch, takes a long time and requires substantial investments. One **“quick solution”** to guarantee this link is by selecting a project **implementer/facilitator that already has a well-established network and good relations with employers and enjoys credibility among them**. When selecting an implementer/facilitator, “closeness to em-

employers” should therefore figure as an important selection criterion in the tender. Potential applicants could be employers’ or business associations, chambers of commerce, SME development agencies etc. The relevant VSD-specific knowledge can then be imparted to the selected implementer(s) through external experts and consultants. (*Simone Giger, Lea Zanola and Mershia Culjevic, experiences from Bosnia and Herzegovina*)

- If active and substantial participation of the demand side in the identification of skills’ needs is envisaged in a project, **employers’ time-restriction must be respected**, and the project needs to adapt as good as possible to employers’ preferences related to meetings (timing, duration, location, format, content, etc). Flexibility in the project approach is key! (*Simone Giger, Lea Zanola and Mershia Culjevic, experiences from Bosnia and Herzegovina*)
- It is not sufficient enough to offer skills trainings that are in line with the expressed needs of the labor market; **the offered trainings need to be acknowledged as relevant and necessary** by the labor market stakeholders. First of all, if we want to guarantee an increased employability of trainees, the trainings must be recognized by employers. Second, job-seekers must have a basic understanding of the labor market situation and know that their employability increases with training participation. Third, other stakeholders influencing the decision of job-seekers to opt for a certain vocational orientation or further training need to be informed about labor market opportunities. (*Simone Giger, Lea Zanola and Mershia Culjevic, experiences from Bosnia and Herzegovina*)
- The **role of all actors should be defined very clearly** (*Roland Stähli, Swiss College of Agriculture, Zollikofen*)
- **Stakeholders’ role and responsibilities shall be defined and be made transparent** before the project/program starts. Of course adaptations and further developments shall be reflected during the implementation. The planning process is very important here. Involvement of relevant stakeholders improves the quality of the output of the project/program if implemented **systematically on all levels of intervention** (micro – intermediate and macro level) and increases the extent of the sustainability of the program/project’s impact. (*Wolfgang Schwegler-Rohmeis, experiences from the SEE project in Lebanon*)
- A key learning is the importance of selecting training providers which are based in the regions where the programme is targeting. It is here where the **practical linkage between the training provider and potential local employers** is taking place. This also facilitates the provision of on-the-job training opportunities during the training which often result in immediate employment after training end. (*Siroco Messerli, experiences from Nepal*)
- The influence and interest in labour market orientation is differs among the stakeholders, e.g. NGOs are more sensible to this issue and are committed to a continuous market orientation. However, their influence is limited to the project implementation period. Ministries need often a longer period of time to respond, even though they are aware that most of the vocational training courses are outdated and have limited employment / self-employment potential. Vocational training institutions need new institutional infrastructure. (*Rao Satapati, experiences from Kenya and Sri Lanka*)

## Statement 2:

To achieve labour market orientation in skills development projects it is of crucial importance to dedicate enough time and resources to a **comprehensive inception phase** including a thorough **analysis of the labour market** of the targeted economic sector **and the prevailing training system** to identify the skills gaps / labour market demand and to establish first contacts with the labour market actors (e.g. private companies, chambers of industry and commerce, business associations, trade unions, governmental bodies, etc.)

## Problems encountered:

- One of the major barriers to effective and sustainable development aid is the **pressure to spend money in a given field as quickly as possible**. In the case of training projects, this pressure – ultimately – often undermines the overall aim to orientate skill development towards the needs of labour markets, particularly when no time is being dedicated to a comprehensive and labour market-oriented inception phase. (*Markus Maurer*)
- **Underfinancing** is one barrier in many projects. (*Wolfgang Schwegler-Rohmeis*)
- In **stagnating economies** where sectors showing little potential for skills development it is difficult to set-up a system of demand-driven skill development. Under these circumstances you have to be very careful of what kind of trainings are demanded. (*Arjeta Byci, experiences from Kosovo*)
- **The smaller the enterprises the weaker is the knowledge about personal development**. Just demand driven skill development doesn't work without a business consultancy for (very) small enterprises. (*Herbert Wahl, experiences from Kyrgyzstan*)

## Activities, methods and instruments used for labour market analysis & training system analysis:

- **Rapid Market Appraisal** to assess employment opportunities (3 to 5 days analysis by interviewing private sector actors to determine the market absorption potential of graduates in a specific trade. (*Elisa Roth, experiences from Nepal and Mali*))
- The Labour Market should be assessed not only in the inception phase **but monitored continuously** (e. yearly, locally) with **pragmatic, quick and cost efficient instruments** such as an annual **Rapid Market Appraisal** (in comparison to very costly and time consuming national labour market surveys). With this approach we can provide the required accuracy to make decisions (e.g. set new training targets). (*Siroco Messerli, experiences from Nepal*)
- **EFQM monitoring system** to grasp the needs of the labour market.  
The degree programs offered by SHL are regularly and intensively cross-checked with the labour market situation in Agriculture, Forestry, Food Science/Processing via an outcome quality monitoring system called European Foundation for Quality Management (EFQM; <http://www.efqm.org/en/Default.aspx>). One part of this EFQM is the **regular and systemic**

**assessment of customer satisfaction.** Perhaps it can provide some insights which may help developing own tools in different project situations. You can find more information – in German and French – on: <http://www.shl.bfh.ch/index.php?id=37> ; [http://www.shl.bfh.ch/fileadmin/docs/Home/ueberShl/Umfrage\\_D.pdf](http://www.shl.bfh.ch/fileadmin/docs/Home/ueberShl/Umfrage_D.pdf) and on <http://www.shl.bfh.ch/index.php?id=37&L=2> ; [http://www.shl.bfh.ch/fileadmin/docs/Home/ueberShl/Umfrage\\_F.pdf](http://www.shl.bfh.ch/fileadmin/docs/Home/ueberShl/Umfrage_F.pdf)

With those assessments one gets helpful information from the labour market and can adapt or change specific training or education offers. (*Hans Schaltenbrand, SHL consulting services, Zollikofen*)

Labour Market Analysis combined with **elements of business consultancy** could raise the awareness for skills development (could be an interesting approach especially in stagnating economies) (*Herbert Wahl, experiences from Kyrgyzstan*)

- SDC requests a **mapping** of professional training offers (VET providers) and labour market needs (demand of companies) from the actors, the regional and local authorities to minimize the risk of mismatch between training supply and labour market demand. (*Ambroise Tapsoba, experiences from Burkina Faso*)

#### Lessons learnt:

- The first important thing under this point in my opinion would be to **identify the skill gaps** in the labour market. Once the gaps are identified it should be looked of what kind of trainings exists already in this area and see whether it is possible/ needed to upgrade them, in case there are none, then jointly with public and private stakeholders the process of DA-CUM should take place. (*Arjeta Byci, experiences from Kosovo*)
- Inception phases in training projects include, at first, **a thorough analysis of the labour market** of the targeted economic sector and the (often mostly informal) training practices which have been in place there for long. (*Markus Maurer*)
- A sound market analysis should be conducted pre-training and then repeated every 6 month and most importantly before any new training is offered (e.g. **Rapid Market Appraisal**) (*Elisa Roth, experiences from Nepal and Mali*).
- When deciding on new training programs a **focus** should be put **on new emerging sectors** offering employment opportunities in a market where competition is still low and, thus, supports successful integration. (*Elisa Roth, experiences from Nepal and Mali*)
- It is important to **encourage communities to analyze their environment** and to evaluate the prevailing (training) capacities to react to the local / regional training needs. (*Ambroise Tapsoba, experiences from Burkina Faso*)

### Statement 3:

In order to ensure that training programs match with the requirements of the labour market **the private sector must be engaged in the training design as well as in the training delivery**. One important factor to convince the private sector to get involved in training is to show them the **benefits** and to create a **win-win situation** for both sides (the private companies and the training providers / trainees).

### Problems encountered:

- The engagement of the private sector in the training design and delivery is not easy because the image of the VET system is not that bright and this **reputation** has been inherited due to the very theoretical based knowledge the VET students had in the past. Engaging private sector means that they are open to cooperate at all levels from the identification of trainings required to the process of training design, but also their commitment in accepting the students of the VET schools for internships or apprenticeship, which at least in Kosovo is **not regulated properly by the law** and there are **no incentives for companies** to engage in this field. (*Arjeta Byci, experiences from Kosovo*)
- The engagement of the private sector is very difficult as long as they do not see the **benefits / added value** for them. (*Arjeta Byci, experiences from Kosovo, Markus Maurer, experience from Burkina Faso*)
- There is a **tendency to go for a shorter duration** of pre-employment training programmes, supported by an argument that long programmes were inherently inefficient or not affordable. One should not overlook, though, that this is likely to curtail company-based training contributions. Many able and keen companies would be deterred or excluded by the cost factor, or uncertain returns on investment. As a conclusion I would advocate that pre-employment should have not less than 3 years duration for most trades. Similarly, the emergence of National Qualifications Frameworks, with their **tendency to break down qualifications into small units** or elements promotes shorter, and typically staggered, training “morcelles”. In my opinion it is very difficult to reconcile such a trend with a policy of expanded corporate training, where the companies are supposed to bear and recover the cost of training. (*Gunther Kohlheyer, INBAS (SDC VSD backstopper)*).
- The industry and the companies need to see the good effect of participation in projects very fast, while the **VET projects usually produce long term effects with little visibility during the implementation timeframe**. (*Elisabeta Mitroi, experiences from Romania*)
- Internships are of crucial importance but businesses will never be really interested to offer internship places if they do not see **what their profit out of it is**. (*Ilir Aliko, experiences from Albania*)

### Activities, methods and instruments to involve the private sector in training design and training delivery:

- The **DACUM method**: A group of expert workers from the industry develop in a 2-days workshop with the help of a trained DACUM facilitator a job profile of a certain occupation. The job profile can then be used as an input for curricula development or revision and for the establishment of an assessment and certification system.
- **Internships** regulated by some kind of contract even without a formal legal status (e.g. **tripartite internship contract** between the business, the training provider and the trainee). (*Ilir Aliko, experiences from Albania*)
- **Apprenticeship contracts**
- Network with business associations / establish **a lobby** for a qualification system
- Standards, curricula and training materials are designed in cooperation with company experts, experts of ministries and training institutions (e.g. company experts are members of the **councils** in the Ministries and part of **examination boards**). (*Hans-Dieter Hoepfner, experiences from Uzbekistan*)
- The companies should be provided with **short-term benefits**, such as training packages for company employees, assessment schemes, upgrading solutions, recognition of non-formal and informal learning for their employees to **foster the buy-in** of the private sector in long-term vocational training (apprenticeship).
- The **training design phase** is an opportunity to invite and involve private businesses by means of **attractive start-up events** combined with occupational demonstrations, short training sessions which can be organized in the premises of the training providers or individual businesses etc. to present the scope and benefits of cooperation. (*Ilir Aliko, experiences from Albania*)

### Lessons learnt:

- One important aspect to raise the involvement of the private sector is to find out how skills development can actually add value to production processes – because it is only then that employers will develop genuine interest in getting involved into developing the skills of their existing and their prospective workforce. Why, for instance, should a carpenter in rural Burkina Faso, who has been training apprentices for decades, be truly interested in a training project designed along the lines of the dual model? He will probably only be so when he sees that his production will become more efficient – whether or not (economically poor) individuals find or do not find employment in the labour market is, most probably, not be his prime worry. This is not to say that training programs should not focus on the poor; but to sustainably reach such a target group with skills training projects that have the aim of being labour market-oriented is a considerable challenge that can only be addressed through an in-depth appraisal of the local economic and cultural context. (*Markus Maurer, experiences from Burkina Faso*)
- Dual systems can only survive with an input from all relevant stakeholders (Government, employers, trade unions and trainees) which **goes beyond the pure economic efficiency**. (*Wolfgang Schwegler-Rohmeis*).

To find out what are these **non-economic interests** of the private sector (in the more traditional as well as in the modern sectors) it **needs a thorough analysis too**, before a project is being planned in detail and implemented, and this is not necessarily an academic exercise. (*Markus Maurer*)

- The **industry should be involved in the planning of training programs** not only when defining the occupational standards but also in the development of curricula, setting up and equipping workshops, labs etc. according to the labour market realities. (*Markus Maurer, experiences from Burkina Faso*)
- A **win-win composition** should be aimed at: In situations where government is in a leading position of a TVET system, the private sector must benefit from an involvement in preparing, planning, implementing a TVET programme. In the Swiss dual system the private sector generally gets a profit towards the last third of an apprenticeship because the salary of the working student remains low but the output of his work is already professionally sound and his/her work is done quite independently. This again motivates the private sector to take part in revisions or elaborations of curricula as and when things need to be adapted due to changed conditions on the market. (*Hans Schaltenbrand, SHL consulting services*)
- For private-sector managed apprenticeship to work out well and to be sustained it is essential that **corporate training costs are offset by returns** obtained from the trainee towards the latter part of the training. Such a gestation could be expected in year 3 of a 3.5 years programme, in some trades (e.g. hospitality) even earlier. It can create a convincing **win-win situation for both sides** – the company who makes substantial profits by assigning “senior trainees” with demanding work tasks and the trainee who has the chance to acquire practical competencies and key skills. While there may be other returns which a training company may realise after the training (such as lower recruitment cost, shorter induction time, higher corporate loyalty), the net cost during the training period itself (or rather the **net benefit**) is an **important motivator** and enabler for companies, and especially smaller and medium sized companies, to take part in so-called dual training systems, and to maintain quality. (*Gunther Kohlheyer, INBAS (SDC VSD backstopper)*)
- By engaging the companies in the development of training modules we were able to organize a truly demand-driven training scheme and at the same time to achieve ownership among the private sector representatives which build a **strong lobby** themselves to convince the Ministry to develop a qualification system. (*Ralph Rothe, experiences from Benin*)
- The cooperation between VET and the industry works as long as the industry finds **clear and immediate benefits** in supporting VET. With other words the industry (through their representatives) and the companies get involved in VET projects if they envisage clear benefits for them, e.g. the offer of **training programs which might be shortly provided to own staff**, would provide the employees with relevant knowledge and skills and would lead quickly to a higher productivity of the workers. (*Elisabeta Mitroi, experiences from Romania*)

#### Statement 4:

In order to ensure labour market orientation in skills development projects, the trainees should be equipped with more than just technical skills (e.g. **soft skills, entrepreneurial skills**) to increase their employability and their chances for a quick and smooth transition into the labour market.

#### Problems encountered:

#### Activities, methods and instruments used for integrating non-technical skills in training projects:

- Integration of entrepreneurship training & business creation courses in the VET curricula

#### Lessons learnt:

- When talking about the labor market orientation of skills training, we should not limit ourselves to vocational skills. In Bosnia and Herzegovina we found that the demand for **soft skills** among employers is in certain sectors even more pronounced than the one for professional/technical skills. Often, short-term trainings or counseling activities – on how to write a job application, how to organize oneself, how to behave in a company, how to approach customers, etc. – are sufficient in order to significantly increase the chances of unemployed people to find a job. (*Simone Giger, Lea Zanola and Mershia Culjevic, experiences from Bosnia and Herzegovina*)
- The trainings shall be enriched by offering (in a systematic way) basic information on opportunities starting a business. By increasing the awareness for self-employment and equipping the trainees with the knowledge, skills and entrepreneurial attitudes they need to start-up an own business, skills development projects can contribute to a further development of an entrepreneurship culture among young people. This will improve the options for self-employment for a certain amount of the trainees. (*Wolfgang Schwegler-Rohmeis, experiences from Lebanon*)

### Statement 5:

In order to ensure labour market orientation in skills development projects, the **teaching staff** should be familiar with the labour market reality, i.e. know what skills are needed, be able themselves to perform the up-to-date tasks of the profession they teach, know how to teach trainees in an appropriate way and have the necessary teaching material and equipment to train the relevant skills.

### Problems encountered:

- **Do teachers know the reality within the labor market?** Do teachers know what kind of skills the labor markets need? Are teachers themselves able to fulfill important tasks of the profession? And then for the work into the classrooms and the work-shops where training takes place we can ask: Do teachers know how to teach the specific skills? Do teacher have the necessarily material and models to train the relevant skills? (*Roland Stähli, Swiss College of Agriculture*)
- The teachers have a relatively **traditional, teacher-centered view of learning**. Accordingly, they orient their teaching primarily in the direction of knowledge. They very often use teaching methods where they talk in plenary sessions, often combined with dictation of texts or - if present - combined with power point presentations. Accordingly, the learners are often very passive or receptive. Special training and skills-labs are practiced very little. There is a lack of current teaching materials, tools and models (e.g. in agricultural VET we use models of animals, plants and machinery). It is primarily trained in the classroom, but rarely in laboratories, workshops or outside in the professional reality. (*Roland Stähli, experiences from teacher training projects in Latin America, Africa and Asia*)

### Activities, methods and instruments used for teacher training (esp. in labour market issues):

- Teacher training in companies (**on-site training for teachers**) to familiarize with latest technologies
- Teachers teach adults (**company staff training**)
- Teacher training should combine the following elements:
  - Conduct crash course in fundamental concepts of teaching & learning
  - Introduce a range of different teaching methods (toolbox)
  - Practice and train various methodological settings
  - Training in how to select specific labour market oriented teaching contents
  - Training in how to formulate suitable learning objectives
  - Build a network between teachers and practitioners from companies
  - How to set-up training outside the classroom
  - How to built-up a documentation of learning (link between practical training and school based training)

(*Roland Stähli, experiences from teacher training projects in Latin America, Africa and Asia*)

## Lessons learnt:

- Despite heavy investment in teacher training and in the improvement of vocational education we have observed that a lot knowledge and ability was trained, but in later school reality, these knowledge and ability was not used. What are the reasons?
  - The imparted knowledge and skills were learned but not really understood. We have to give weight to the process of understanding (not only know how, but also justify why).
  - The frameworks, which should allow the application of learning, were not appropriate (lack of support from supervisors, lack of infrastructure, lack of recognition and motivation for people that are willing to change).
  - It was not sufficiently considered that the context, in which something is learned, should be as similar as possible to the context in which the skills are then applied.
  - The training is very much focused on knowledge (subject matter) and less focused on key competencies. (This would require, however, often far-reaching and challenging curricular adjustments).

*(Roland Stähli, experiences from teacher training projects in Latin America, Africa and Asia and Eastern Europe)*
- Instructor training is of crucial importance. **New positions of instructors are to be approved by the ministry.** This factor delays the process of labour market orientation. This is a very important aspect that has to be considered during project concept and implementation phases. *(Rao Satapati, experiences from Kenya and Sri Lanka)*

**Statement 6:**

Labour market orientation in skills development projects does not end with the training itself but also comprises **supplementary support and after training activities** such as career counseling, matching and placing.

**Problems encountered:****Activities, methods and instruments for supplementary support (e.g. career counseling, matching and placing):**

- Training institutions work as **Regional Competence Centres** and offer further education courses for people in work and for unemployed. (*Hans-Dieter Hoepfner, experiences from Uzbekistan*)

**Lessons learnt:**

### Statement 7:

In order to ensure an adequate training delivery and a continuous update of it (beyond the external project support), a certain **investment** has to be provided **jointly by the public and well as by the private sector**.

### Problems encountered:

- A VET system of education fully financed by the public sector usually faces difficulties to allocate funds at the time when it is required. (*Arjeta Byci, experiences from Kosovo*)

### Activities, methods and instruments used for involvement of the public-private co-financing of training system:

- Companies' experts work as teachers at the training institutions and Regional Competence Centres. (*Hans-Dieter Hoepfner, experiences from Uzbekistan*)

### Lessons learnt:

### Statement 8:

**Awareness raising and information dissemination measures** at different stakeholder groups are essential to promote a wider buy-in and eventually the success of the skills training programs.

### Problems encountered:

- In the contexts where a lot of donors invested in the VET system by improving the quality of trainings and making it labor market demand driven it is also equally important to promote these positive developments among the private/ public sectors. I think that this is the point where most of the donor projects do not really foresee to do. They improve the curricula, they train the trainers, they provide the trainings, **but they do not make a lot of efforts in promoting all the investment and results achieved** among the once who are actually the most important in making our program goals achieved – the employers. (*Arjeta Byci, experiences from Kosovo*)

### Activities, methods and instruments for awareness creation:

- Governmental institutions (e.g. Ministries and Labour Agencies) and private sector associations (e.g. chamber of commerce) **promote and foster VET institutions** (training centres, Regional Competence Centres etc.) (*Hans-Dieter Hoepfner, experiences from Uzbekistan*)

### Lessons learnt:

- **Parents** exert a significant influence on the career choice of their children. In most cases they are not aware of the situation on the labor market and are guided in their decisions by traditional beliefs and prejudice (e.g. “economists will always find a job” or “it’s less worthy to work as a carpenter than as a public sector employee”). (*Simone Giger, Lea Zanola and Mershia Culjevic, experiences from Bosnia and Herzegovina*)
- It is very important that the demand side of the labour market identifies the value added of getting engaged in this endeavor. Promotion of the students and the VET schools among the labor market demand side, so that they recognize that the trainings and students undergoing these trainings meet their needs and are labour market relevant. And this means that we have to work in **changing the existing perception on the VET system among the potential employers**. (*Arjeta Byci, experiences from Kosovo*).

### Statement 9:

In order to secure the success of skills development projects (especially in the long-run) it needs **innovative and business-oriented organizational structures and approaches**.

### Problems encountered:

### Activities, methods and instruments to ensure sustainability:

- **Franchising system** – the franchisor (which in the first phase could be the project itself) develops in partnership with different actors, private sector being one of the most important, the franchising system and products such as curricula, tools, teaching methods, which are then given to franchisees. Franchisees can be training centers, but also coming directly from the private sector such as chambers of commerce, enterprises, etc. (*Elisa Roth, F-Skills project Nepal, Mali*)
- **Impact financing** – through a system of post-training financing the link with the labour market is further ensured. Franchisees are paid after the training and most importantly with a financing per each student successfully employed after the training; if students are not successfully employed, the franchisee will not receive the per-student-financing. The monitoring will take place after 3 and 6 months after the training has been completed. In this sense franchisees have to be close to the market, know its needs and be ready to establish links to the employment sector. This implies obviously an important investment in monitoring from the project. (*Elisa Roth, F-Skills project Nepal, Mali*)

### Lessons learnt:

There is no significant difference between a direct or a subcontracting system (e.g. franchising) concerning the labour market orientation of skills training. Rapid Market Appraisal tools are pragmatic and useful to ensure a certain level of labour market orientation of skills training. However, on its own this tool will also not bring the expected labour market orientation unless and until it is linked to **outcome-based payments** (i.e. financial incentives for the training provider for successfully placing graduates in employment). The latter guarantees that the training provider is carefully assessing the market and only proposing trades and target sizes which can factually be employed in a certain region. (*Siroco Messerli, experiences from Nepal*)

**Statement 10:**

Skills Development in the **informal and non formal sector** needs special approaches to match the human resources with the local economic realities.

**Problems encountered:**

- A lack of understanding of training interests and training needs
- Informally acquired skills are very often “not visible”

**Activities, methods and instruments:**

- Respond to needs with market opportunities by matchmaking

<b>Be aware of the needs</b>	<b>Match making of needs and opportunities</b>	<b>Be realistic on the opportunities</b>
<ul style="list-style-type: none"> <li>• Inform people</li> <li>• Understand needs</li> <li>• Train multipliers</li> <li>• Initiate permanent public-private dialogue</li> <li>• Publish results &amp; disseminate success stories</li> </ul>	<ul style="list-style-type: none"> <li>• Select economic sectors and sensitize the interested target group of their opportunities</li> <li>• Form homogeneous Learning Groups and develop a common vision of the future.</li> <li>• Guide the groups in identifying business opportunities and business generation of own ideas</li> <li>• Implement training by involving the Learning Groups in all steps (i.e. developing of learning objectives, learning rules, procurement of necessary resources, selection of resource persons etc)</li> </ul>	<ul style="list-style-type: none"> <li>• Assess demand</li> <li>• Assess growth</li> <li>• Establish specific types of skills required</li> <li>• Know the system in place</li> <li>• Demonstrate benefits</li> <li>• Reduce risks</li> </ul>

*(Ralph Rothe, HELVETAS Swiss Intercooperation)*

**Lessons learnt:**

#### Statement 11:

Labour Market Orientation should be **assessed** by **clear and realistic (if possible quantitative) indicators**.

#### Problems encountered:

#### Activities, methods and instruments for assessing Labour Market orientation in Skills Development Projects:

- Develop an **intervention logic** (project / programme strategy), and define **clear objectives** which are measures with **realistic indicators** (*Wolfgang Schwegler-Rohmeis, experiences Lebanon*)
- One indicator to measure the success of labour market orientation in skills development projects is the **placement of trainees in employment / self-employment** (*Rao Satapati, experiences from Kenya and Sri Lanka*)

#### Lessons learnt:

- Assess labour market orientation on **how systematic the design/intervention logic of a program/project is linked to the labour market**. Labour market orientation on a plausibility level (f. i. satisfaction of teachers and trainees with the training processes and results) is necessary but not sufficient! **Don't stop on an abstract level of employability**. Employability shall be proved by real effects on placement (or self-employment) after the intervention. This needs clear and realistic (if possible quantitative indicators). (*Wolfgang Schwegler-Rohmeis, experiences from Lebanon*)

## Core Question 2:

**How can we ensure that labour market orientation supported by the project continues after project completion, and how can we measure this?**

- Often things turn around people. **Connect TVET programs/projects with people with a winning attitude and certain influence.** It is important to link entrepreneurs from interested firms as well as willing intrapreneurs from TVET-affiliated governmental and non-governmental organizations and the civil society (e.g. earlier mentioned chambers of commerce) who are blessed with empathy; people who show a strong commitment and see the long-term benefit of a high quality TVET program. It needs such people to be involved to gain a break-through for the sake of a country's economy. If we look at the historical roots of the Swiss TVET system, we realize that it was always related with such type of men and women at all levels and in hundreds of firms/institutions/organizations. They did not at first look at their own benefits only; they must have seen the high potential in a long run, but also the requirement of a long-term joint commitment and continuous support to come on a successful track. I think such a lively in-country Entrepreneur-Intrapreneur Network is one important element of an innovative TVET concept. Such people do exist everywhere in the world (*Hans Schaltenbrand, Swiss College of Agriculture Zollikofen*)
- To be successful in the long-run VET projects need a **legal framework** where labour market orientation is laid down as an important aspect and where the contributions / responsibilities of the stakeholders are clearly defined (an agreement signed by all stakeholders). (*Hans-Dieter Hoepfner, experiences from Uzbekistan*)
- It sounds very simple (but the practice proves that it is not): only a careful analysis of the existing VSD/ VET system **before project** start with fine-tuned interventions with the right timing and target will result in sustainability.  
It should also be **analysed first whether the project's interventions really need to be institutionalized.** In many cases projects innovate and stimulate copying by other stakeholders and thus have a far greater impact than through the still wide-spread "forced" search for institutionalization towards project end.  
If to analyze the Swiss vocational education system (as well as other successful systems in various countries), a key aspect for ensuring the continued labour market orientation of the skills training is the **involvement of the private sector** and – most importantly - the sector associations/ chambers of commerce. When we speak of sustainability we often mean **ownership** by the stakeholders. But isn't ownership identical to personal vested interests of certain stakeholders? And, is there any stronger personal vested interest than the private sector's strive to maximize profits? That leaves us only with the question of how we can ensure that the private sector perceives skills training and vocational education as **investment into future increased profits.** (*Siroco Messerli, experiences from Nepal*)
- In order to secure the success of skills development projects (especially in the long-run) it needs **innovative and business-oriented organizational structures and approaches,** e.g. franchising, impact financing, outcome-based payments (*refer to statement 9*)

- To ensure a continuous Labour Market Orientation it needs **reliable but quick, cost efficient and pragmatic instruments / approaches to identify changing labour market needs** on a regular basis (continuous monitoring of regional / local labour markets with hands-on-tools such as Rapid Market Appraisal instead of broad scientific researches like national labour market surveys, which are very costly, time-consuming and need mostly external expertise to be implemented). (*refer to statement 2*)
- Labour Market Orientation should be assessed by **clear and realistic (if possible quantitative) indicators**. Placement effects of VET projects (rate of employment / self-employment) are key indicators to measure Labour Market Orientation (*refer to statement 11*)