

Input Paper for the Second Round of online Discussion on the Topic: “Labour Market Orientation (LMO) in SDC Skills Development / TVET Projects”

1. Background

In 2011, SDC in cooperation with KEK-CDC Consultants / INBAS launched an online discussion on labour market orientation in SDC Skills Development / TVET Projects in order to exchange information and experience on good practices and innovative interventions, to foster learning within the organisation and to provide practice-orientated recommendations with regard to labour market orientation.

This is the **second round** of the online discussion on “**Labour Market Orientation (LMO) in SDC Skills Development / TVET Projects**” following a first round of three weeks intensive discussion in September 2011 with more than 100 e+i Network members.

The first round of online discussion focused on two core questions:

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

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?

The results of the first round of discussion have been compiled in a [synthesis paper](#) and have been published in the SDC share web.

2. Outlook to the forthcoming LMO discussion

In the second round of the LMO online discussion we would like to build upon these results and put the focus on a **systems approach** which has become more and more popular in the last decade of development cooperation known as **OSAC** – A demand-driven VET system based on **O**ccupational **S**tandards, **A**ssessment and **C**ertification.

Occupational standards, assessment and certification are subjects that rank high on the TVET policy agendas of many countries. Their importance is due to the key role they have for a **competence-based education and training system** where assessment and certification open to everybody serve as a **common framework for formal, non-formal and informal learning**. The recognition of acquired competencies regardless of the place, the duration and the method of learning is a powerful instrument for the **labour market integration of the poorer strata of society** – unemployed people, unskilled labourers and people working in the informal sector – and helps pave the way for lifelong learning. Furthermore, occupational standards, assessment and certification contribute significantly to a better linking and matching of supply and demand in VET, which in many countries is another important reason for their introduction. If the occupational profiles are developed with the close involvement of the world of work the graduates who are trained and assessed on their basis are more likely to have the skills that companies expect.

Occupational Standards, Assessment and Certification are not new concepts for industrialized countries; they have always played an important role in their TVET systems. For most of our partner countries, however, OSAC are innovative and very challenging aspects especially with the view towards the development of a **national systems of TVET qualifications** (or even a step further: a **National Qualification Framework** covering all branches and levels of qualifications) supported and recognized by all economic players: the employers, the government and the work force.

A demand-driven VET system can be described and illustrated by the inter-linkage of its 3 core elements:

2.1 Development of Occupational Standards

The first step in developing an occupational standard is the development of an **occupational profile**. An occupational profile is a detailed description of an occupation in terms of work responsibilities (i.e. work tasks), skills, knowledge and attitudes required at the workplace. There are various approaches and methods successfully implemented to develop occupational profiles. The most known methods are DACUM and Functional Analysis which both basically follow a similar logic: In a **close consultation with the companies** (e.g. workshops, interviews) an occupational profile is developed describing an occupation in a **standardized format** using clearly defined categories (e.g. in case of DACUM these categories are “Duties” and “Tasks”, in the Functional Analysis these are “Units” and “Elements”).

In order to convert an occupational profile into a standard, **performance criteria** need to be added to the working tasks. The result is an **occupational standard** which serves as a reference point and input for the development / adaptation of (modular) curricula and provides a benchmark for assessment & certification.

2.2 Establishment of a Standards-based Assessment and Certification System

Occupational standards and in particular the performance criteria they contain are the basis for assessment and certification. Only when the assessment is done in accordance with the standards it can be assured that the certificates issued are credible in the labour markets and have a real value for the graduates.

An **assessment and certification system** is an **output control system**, i.e. it evaluates the competences of individuals regardless of where and how they have been trained. For this purpose, occupational standards are crucial since they are the basis for the development of assessment instruments.

A national **standards-based assessment and certification system** is a key element for the modernisation of vocational training for two reasons:

- a) Valorisation of certificates and qualifications and
- b) Recognition of prior learning.

Like in the field of occupational standards development there are also different methods and an on-going debate amongst experts regarding assessment and certification. At the international level, basically two different approaches can be distinguished:

- The most common approach in Anglo-Saxon countries is based upon so-called professional **assessors**, who assess candidates primarily through interviews regarding their occupational records and with observation at their workplace.
- The other widespread approach to assessment and certification is based on a **combination of theoretical and practical tests**. A typical example is the test young people have to undergo at the end of apprenticeship training in Switzerland or Germany.

Both approaches have their disadvantages and limitations, e.g. the **“assessor approach”** is more flexible for the candidate and does not imply the “artificial stress situation” like in a typical test but it is rather costly and less applicable for fresh graduates or unemployed people. It also implies the danger of limited objectivity.

The **“test item approach”** has primarily the advantage of universal application since it can be conducted with any kind of target group. The comparatively low costs (group testing) as well as a higher objectivity (panel of assessors) are additional advantages whereas the creation of “real-life test situations” for practical tests can be very time-consuming and expensive and can create a stress situation for the candidates.

For whatever approach a country decides at the end the **most crucial success factor** for any assessment and certification system is the **public credibility**. This implies that the certificates issued bear a clear and understandable message regarding the professional competences of their holders, which employers can trust. Furthermore, it implies that the certificates enable their holders to get access to, or improve their career opportunities within the world of work and also, with reference to lifelong learning, the education system.

2.3 Development of Standards-based Curriculum

Occupational standards are also a key input for curriculum development. Only when curricula are based on occupational standards can it be assured that training graduates have acquired the competences required for the respective occupation.

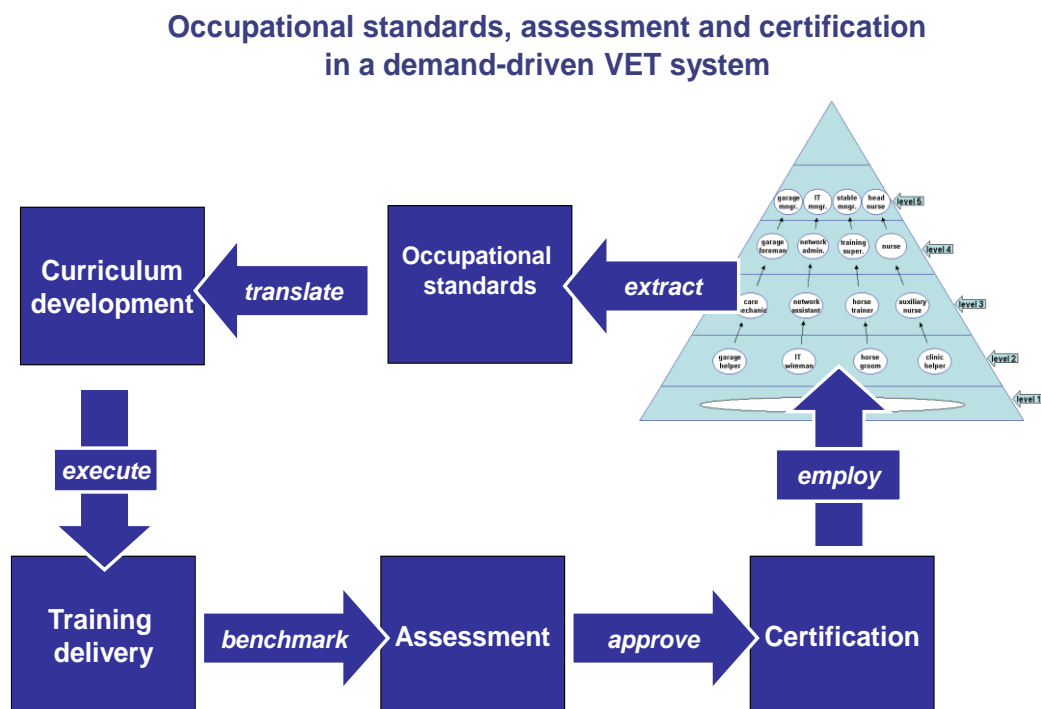
Traditionally, the focus of SDC-sponsored training programmes has been on the improvement of the training supply, involving such components as training of trainers, equipment of workshops and laboratories, development of training materials, revision of curricula, etc.

In order to match the training offer with the ever more rapidly changing demand of the labour market a new trend appeared in the last years – so called OSAC projects - which are mainly (sometimes exclusively) addressing the issue of occupational standards, assessment and certification without getting involved in training design and delivery. Such projects are based on the assumption that the training system (i.e. training providers) will adapt automatically to the set standards in order to be competitive in the market. Experiences have shown that this is not always the case because of many reasons (from the training providers' / educationalists' side: e.g. lack of flexibility, lack of capacity, resistance to change, etc. and from the standards developers' side: lack of "visibility" mostly because of a lack of public credibility).

The challenge of a demand-driven VET system is to **establish an interactive mechanism of all three components**:

- i) Standardisation of occupational profiles, (ii) a supply of initial and further training courses with curricula developed from these standardised profiles, and (iii) a certification system that assesses the competences of individuals with reference to the established standards

as illustrated in the following graphics:



3. Proposed Core Topics for Next Round of Online Discussion (13.2. to 3.3.12) on Labour Market Orientation in SDC Skills Development Projects

We invite the e+i network members to join our next round of online discussion and to focus their contributions on the following 3 core topics:

Core Topic 1:

What are your experiences with tools and approaches to develop the three main components of a demand-driven VET system, i.e.

- occupational standards,
- curriculum development & training delivery, and
- assessment & certification?

Core Topic 2:

How do you link all three components?

What are your experiences on linking the training side (curriculum development & training delivery) with the occupational standards set by the companies? In other words, how sensitive has this aspect been in terms of conflicts between labour market representatives and educationalists?

Core Topic 3:

How do you ensure that your assessment and certification system is recognized by both employers and public institutions (“public credibility”)?

4. Proposed Course of Discussion

In order to structure the online discussion, the 3 Core Topics will be fed into the discussion consecutively, starting with Core Topic 1 for the first two weeks, followed by Core Topic 2 and 3 for the last week.

The second round of online discussion will be again facilitated by **Annett Hilpert** (INBAS Germany) and **Katharina Walker** (KEK-CDC-Consultants, Switzerland).

Source of this input paper:

This input paper is based on the results of an SDC exchange project implemented between 2009 and 2011 in 4 Latin American countries (Bolivia, Ecuador, Nicaragua, Peru): “Exchange of experiences and mutual learning on occupational standards, assessment and certification in Bolivia, Ecuador, Nicaragua and Peru” which was coordinated and facilitated by INBAS (Dr. Wolfgang Schlegel). The detailed report (English and Spanish) can be found at: www.sdc-employment-income.ch