

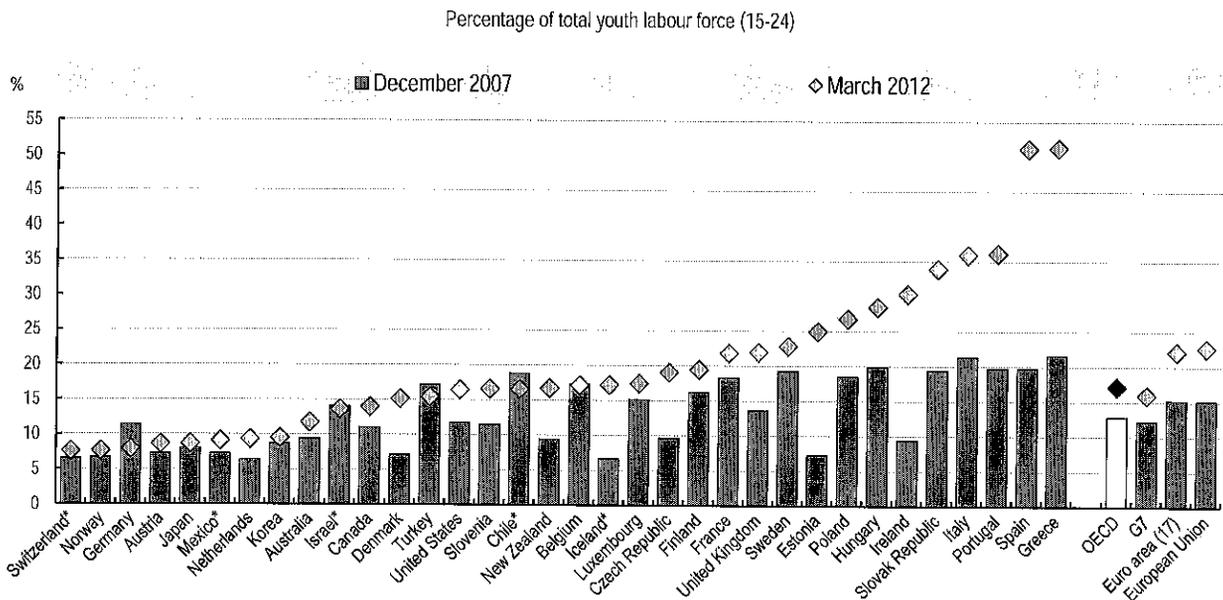
Background Paper *Learning for Jobs*¹

The most extensive international study on VET

In 2007, the Organisation for Economic Co-Operation and Development (OECD) embarked for the first time in its 50 year history on a comprehensive international comparative review of vocational education and training (VET) policies. Up to that point, the Organisation had focused its data gathering, research and policy recommendations almost exclusively on school and university education. After three years of investigations, reviews of 17 different VET systems, hundreds of expert interviews and site visits, the OECD came up with a synthesis report called *Learning for Jobs* - so far the most comprehensive overview on vocational education and training policies and practices in OECD and selected partner countries.

The work confirmed what another OECD study on *Jobs for Youth* had concluded just a few months before *Learning for Jobs* was published: countries with strong vocational education and training systems show much better results in the transition of young people from education to the labour market. Youth unemployment is much lower in countries with strong VET systems. On top of the list ranks Switzerland which has one of the best VET systems in the world. Even during the recent crisis, those countries with very strong vocational education and training systems kept their youth unemployment at stable rates while in other countries it rose dramatically and has remained persistently high ever since.

Youth unemployment rates in OECD countries, December 2007 to March 2012



Source: OECD calculations based on the Short-term Indicators from Eurostat and various national sources.

¹ This summary is based on *Learning for Jobs - The OECD Review of Vocational Education and Training at upper secondary level*. The full publication provides a much more detailed discussion of the results; background papers, individual country studies and the ongoing work on post-secondary and tertiary level can be retrieved at www.oecd.org/education/vet.

But, what is a 'strong VET system'? One of the first realisations the team working on VET from the international comparative perspective had to make was that the design and delivery of vocational education and the structure of VET systems are extremely diverse across countries; much more heterogeneous than other sectors of the education system such as compulsory education in schools or university education. As a result, the comparative data on vocational education is much more scattered and country rankings the OECD likes to publish on various indicators evaluating performance of different aspects of the education system are not as clear cut when it comes to VET.

Nevertheless, Learning for Jobs concluded that there are a set of core principles of best practice that explain the success of strong VET systems. These features are universally relevant and should be aspired by any country, independent of varying national context factors such as the structure of the economy and related skills needs, history, culture and traditions. So what are those core features that characterise strong VET systems?

First, strong VET systems are employer-driven

The number one characteristic of successful VET systems is the strong involvement of employers in both the design and the delivery of vocational programmes. If VET offerings are meant to be relevant to the needs of the labour market, it is essential to establish what those needs are. And a direct involvement of employers is the best guarantee for this. All successful VET systems have instituted (ideally by law) strong co-operation mechanisms that allow representatives from administration, education and employers to develop professional standards, curricula and assessment tools for vocational programmes together and to ensure that they are relevant and up-to-date.

It also appears that the more employers are empowered to influence the design of the VET system the more likely they are to contribute to the provision of training in their company. Workplace-based training has great advantages over purely school-based provision: it provides a strong learning environment developing hard skills on modern equipment and soft skills through real world experience of teamwork, communication and negotiation; workplace training also facilitates recruitment by allowing employers and potential employees to get to know each other, while trainees can contribute to the output of the training firm. Workplace learning opportunities are also a direct expression of employer needs, as employers will be very keen to offer those opportunities in areas of skills shortage.

Collectively, these arguments are so powerful that all VET systems should aim to make substantial use of workplace training. However, the benefits of workplace learning depend on its quality. In the absence of quality control, workplace training opportunities for young people can degenerate into cheap labour, or offer only very narrow and firm-specific skills. Quality control may involve contractual arrangements setting out the rights and obligations of trainee and employer, inspections, self-evaluation and effective assessment of the skills acquired through training.

Clearly employers are in a strong position to judge what mix of skills is optimal for particular occupations, and it therefore makes sense for employers to play a key role in establishing the

curriculum. However, employers might have a tendency to put too much emphasis on firm-specific skills at the risk of neglecting learning in more general or transferable areas. Trade unions and governments have a role in counter balancing this trend and in making sure that the provision is reasonable and allows graduates not only to make a smooth transition into their first employment but also to change between jobs and employers later on in their career and to acquire additional skills if the labour market requires it.

Employer engagement also has strong financial implications. In dual VET systems where part of the training happens in the workplace, the costs are typically shared between the government covering the cost of school-based learning and the employers financing the workplace-based elements, both directly (apprenticeship salaries) and in kind (foregone production time of the apprentice trainer). This stands in stark contrast to exclusively school-based VET systems where the government (and possibly the individual through student fees) has to cover the full cost not only of the teacher salaries and overhead but also to buy and maintain the tools and machinery necessary to learn practical skills – which is very costly. As a consequence, equipment in schools is often out of date and of poor quality.

Second, successful VET programmes are taught by professionals

As in general education, the key element in a good VET programme is good teachers and trainers. Strong VET systems ensure that all teaching staff is professionally trained and regularly updates their skills. As the current workforce ages, shortage of teachers and trainers in VET institutions can be a challenge. Another frequent problem arises if VET teachers and trainers lack recent workplace experience. Successful VET systems encourage flexible pathways of recruitment, designed to facilitate the entry of those with industry skills into the workforce of VET institutions to solve shortages and lack of industry knowledge.

In industry, a different problem emerges. Trainers and supervisors of apprentices and trainees in companies often have no specific pedagogical training or other preparation, although research evidence shows that such preparation has positive outcomes. Appropriate pedagogical and other preparation for supervisors of interns, trainees and apprentices in workplaces is necessary to ensure that workplace training is of good quality and does not degrade into a form of cheap labour.

Arrangements whereby staff can work part-time as trainers and part-time in industry offer particular benefits because these trainers remain in close touch with the changing needs of the modern workplace. This pattern of working may also appeal to those who wish to develop a career as a trainer but retain a job in industry. Alternatively, co-operation between education institutions and industry can help foster strong co-operation locally. In some countries teachers and workers are put together in pairs allowing both to take advantage from mutual learning and information exchange facilitating their respective pedagogical task.

Another factor that drives the success of VET systems is career guidance which needs to be offered from an early stage (typically before vocational programmes even start formally) and by professionals. In

many countries, educational offerings are manifold and if they are tightly linked to the labour market, also constantly changing. Young people need support in making the right education and career choices to find their way through this maze of options. Career guidance personnel responsible for providing this support fulfil their role if they have the latest labour market information at their fingertips, if their work is impartial and separate from psychological counselling and not captured by other teaching obligations.

Third, relevant VET provision is supported by evidence

Information supports the link between vocational education and training and the labour market in many ways. It allows students to find their way through a training programme into the labour market, employers to understand what potential recruits have learnt in a programme, and policy makers and training institutions to see whether their graduates are obtaining relevant work.

Successful VET systems are steered in close co-operation with researchers and their evaluation of what works and what doesn't. Few countries have established dedicated research institutions that gather knowledge and expertise on vocational education and training policy and practice. Some innovative research and data gathering devices have been established to monitor VET systems such as an 'apprenticeship barometer' allowing to observe fluctuations on the apprenticeship market and to intervene swiftly in case imbalances in the demand or supply of apprenticeships arise. Countries also need information on outcomes of their VET programmes. This might be provided either through one-off surveys of those leaving VET to establish labour market outcomes, or by tracking cohorts of individuals through VET into employment to map out career histories. Such data need to be supported by the institutional capacity to analyse and make use of the data for better policies and practices.

Marketing VET as attractive alternative

If all these conditions are met, VET systems fulfil the role of bridging the gulf between education and the labour market. Instead of functioning as low quality options of last resort for those who do not make it into college or university, they have a central role to prepare young people for the labour market and to furnish the economy with well-skilled workers. VET systems around the world struggle with problems of low esteem. The only way to get out of this negative cycle of low quality provision attracting only the least motivated and weakest students leading to even scarcer attention and fewer investments further decreasing the quality of provision is by showing strong results – and by telling the world about them.

References:

OECD (2010), *Off to a Good Start? Jobs for Youth*, OECD Publishing.
OECD (2010), *Learning for Jobs*, OECD Publishing.