

CHANGING NATURE OF VET: ASSIGNMENT 2: EXTERNAL FACTORS AFFECTING VET SECTOR – Main findings

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PURPOSE OF WA2

The external factors affecting VET

- In many countries VET has come along way in a relatively short space of time
- In doing so, it has had to rise to the challenge of delivering economically and socially valuable skills...
- ... and ensure that a relatively sizable share of individuals and employers participate in it
- And in some policy circles, 'skill' is regarded almost as a panacea to solving all the problems of the labour market...
- ... so the pressure facing VET systems can be formidable
- So how has VET – however defined – responded to the changing demands that are made of it over the period 1995-2015

AIMS OF THE PRESENTATION

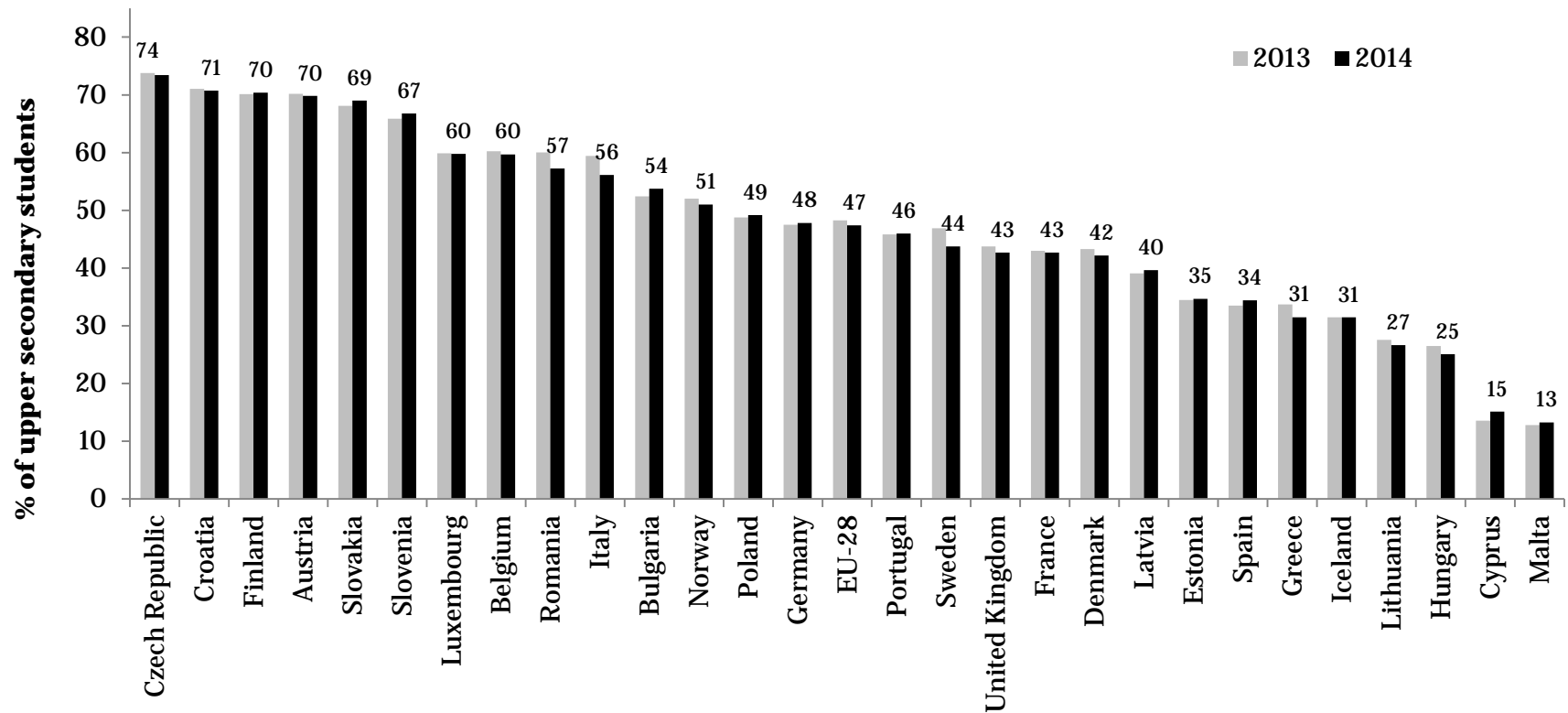
- To illustrate the way in which VET systems have developed in the 1995-2015 period
- What are the common responses to economic, demographic and technical changes?
- To what extent is divergence and convergence observed...
- ... and what does VET look like now compared with twenty or so years ago
- In many respects the member states provide a range of variation to observe differing approaches and their outcomes in relation to common challenges

THE RESEARCH QUESTIONS

- To what extent have demographic developments influenced the need for and provision of VET?
- How has VET responded to technical change?
- How has VET coped with the vagaries of the economic cycle?
- To what extent have changes in VET been based on targeted labour market intelligence?
- To what extent has the role and nature of VET been influenced by changing policy priorities at national level?

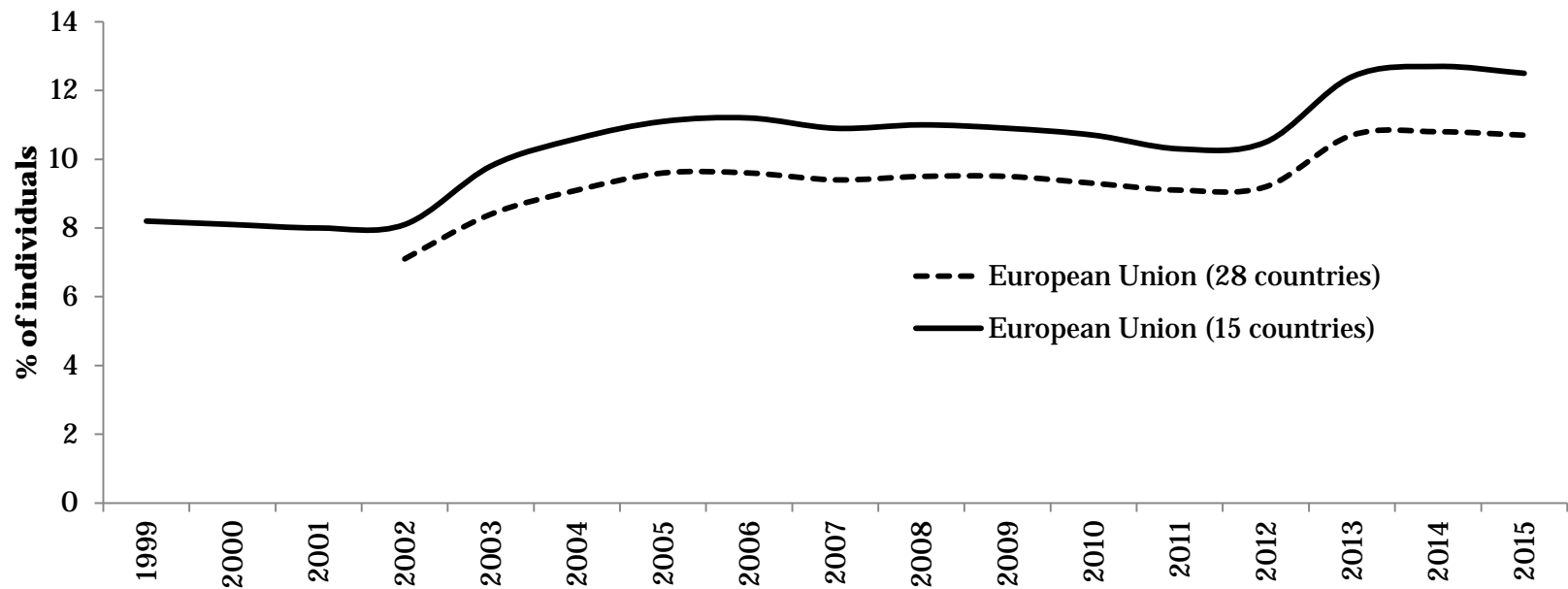
STYLISTED FACTS I

The share of upper secondary level pupils in vocational studies



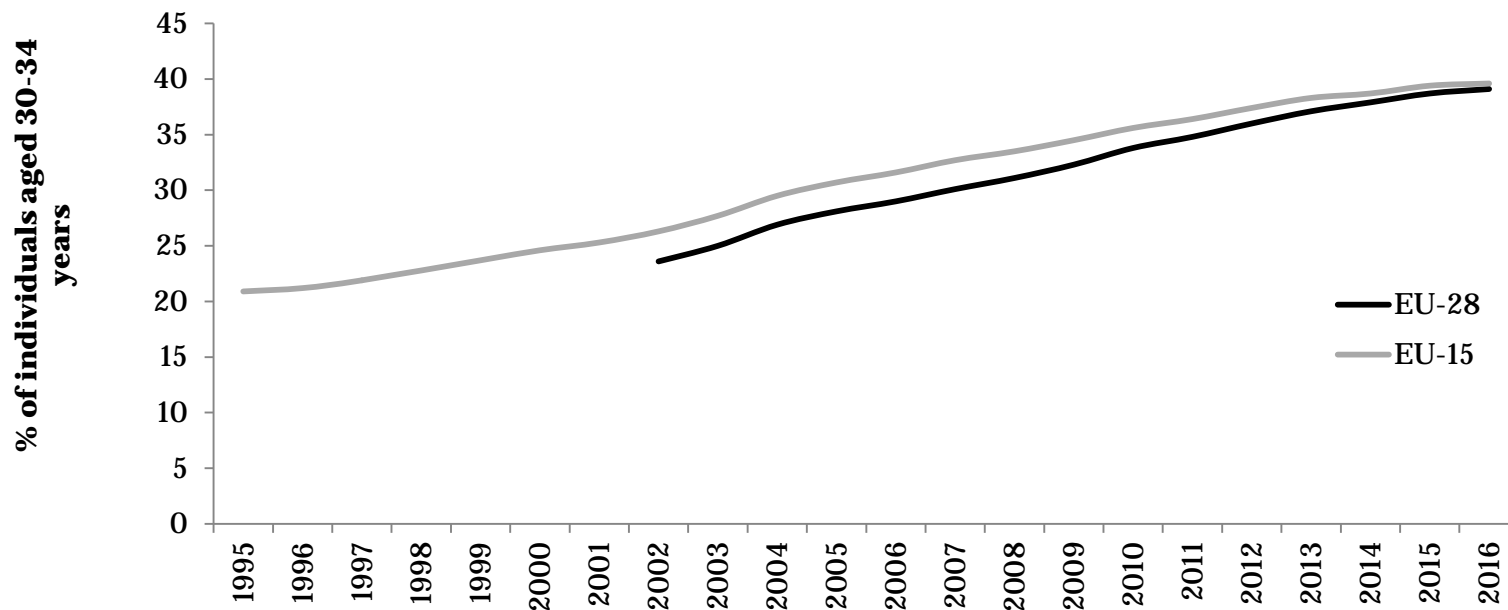
STYLISTED FACTS II

Percentage of people 25 -64 years of age participating in lifelong learning, 1999-2015



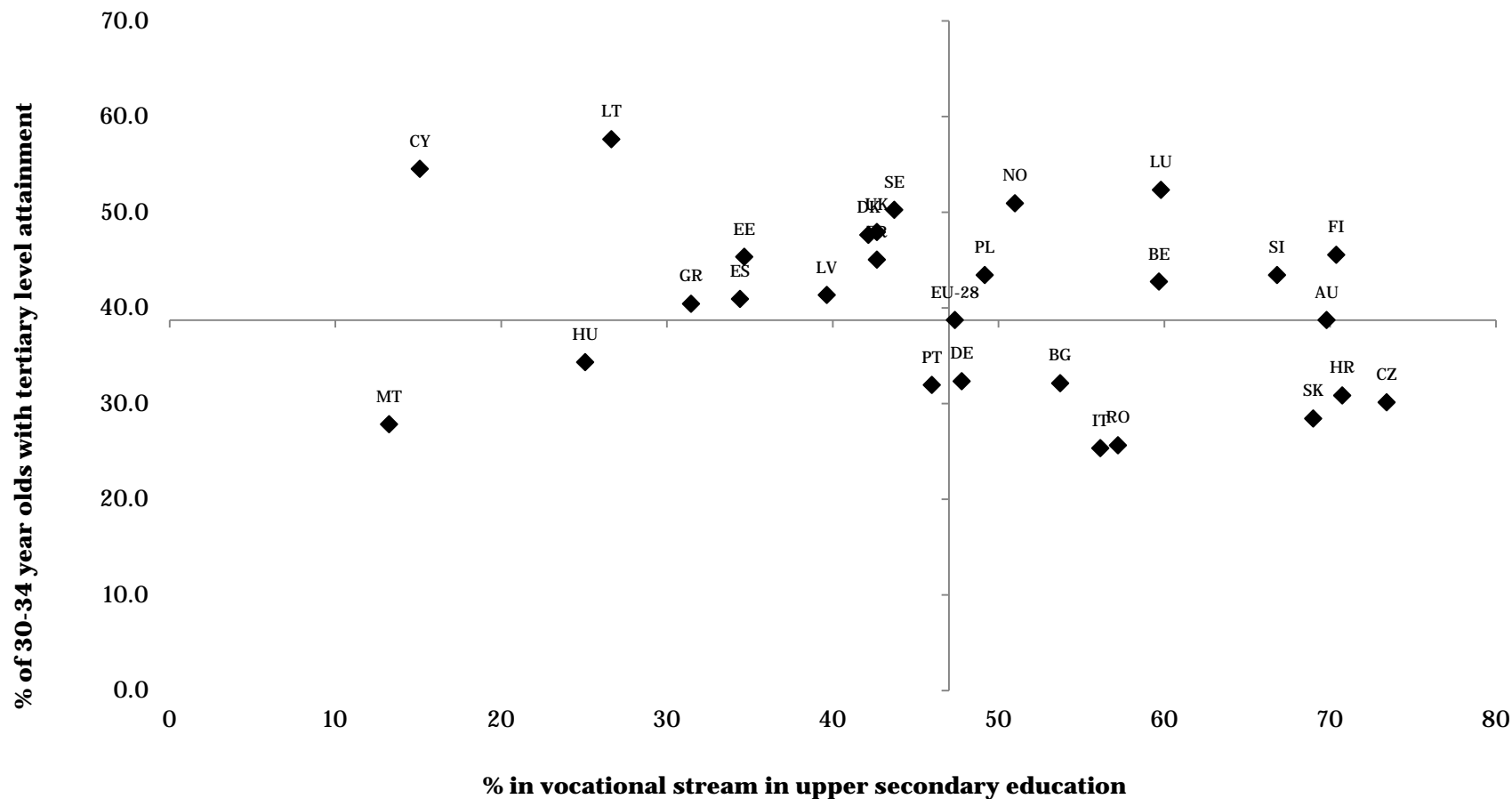
STYLISTED FACTS III

Tertiary educational attainment (% of the population aged 30–34 with completed tertiary education)



STYLISTED FACTS IV

VET and tertiary level attainment in the EU



THE CASE STUDY EVIDENCE

- I. Weak economic and labour market performance, where IVET is of relatively less importance to be selected from: Italy, Estonia, and Greece
- II. Strong economic and labour market performance where VET is relatively important to be selected from: Finland, Germany, Norway, and the Netherlands
- III. Strong economic and labour market performance where IVET is or has been relatively less important: France, England and Poland

CHANGE OVER TIME:

Common trends across countries

- Making VET more attractive to young people, often by stressing the opportunity to continue with further study beyond the upper secondary level
- Ensuring that VET curricula are responsive to meeting labour market needs and relevant to the needs of sectors where there has historically been much less tradition of VET
- Changes in the structure of VET, especially with the increasing emphasis given to competence based approaches to the acquisition of a VET qualification

CHANGE OVER TIME:

Common trends across countries

- In several countries making VET provision more individualised (e.g. by allowing a degree of mix and match between various VET courses or modules)
- Placing a relative emphasis on work-based learning over that which is located solely in vocational schools
- Blurring the definition between what has traditionally been considered initial versus continuing VET
- In the former Soviet bloc countries there were a similar set of factors at play, except that their VET systems needed to be reinvented in the transition from being a centrally planned to market economy

CHANGE OVER TIME:

Early 1990s onwards

- Creating a mass participation VET system (where this was not extant previously) such that VET is seen as a key element of the overall education system
- Integrating VET within the wider education system and establishing parity between vocational and general qualifications
- Rationalising VET provision to create a more integrated provision (i.e. creating a national VET system out of the fragmented systems in place beforehand)
- Bringing about improved alignment between VET provision and its demand
- Thereafter one observes more incremental change (which cumulatively can result in major changes over time)

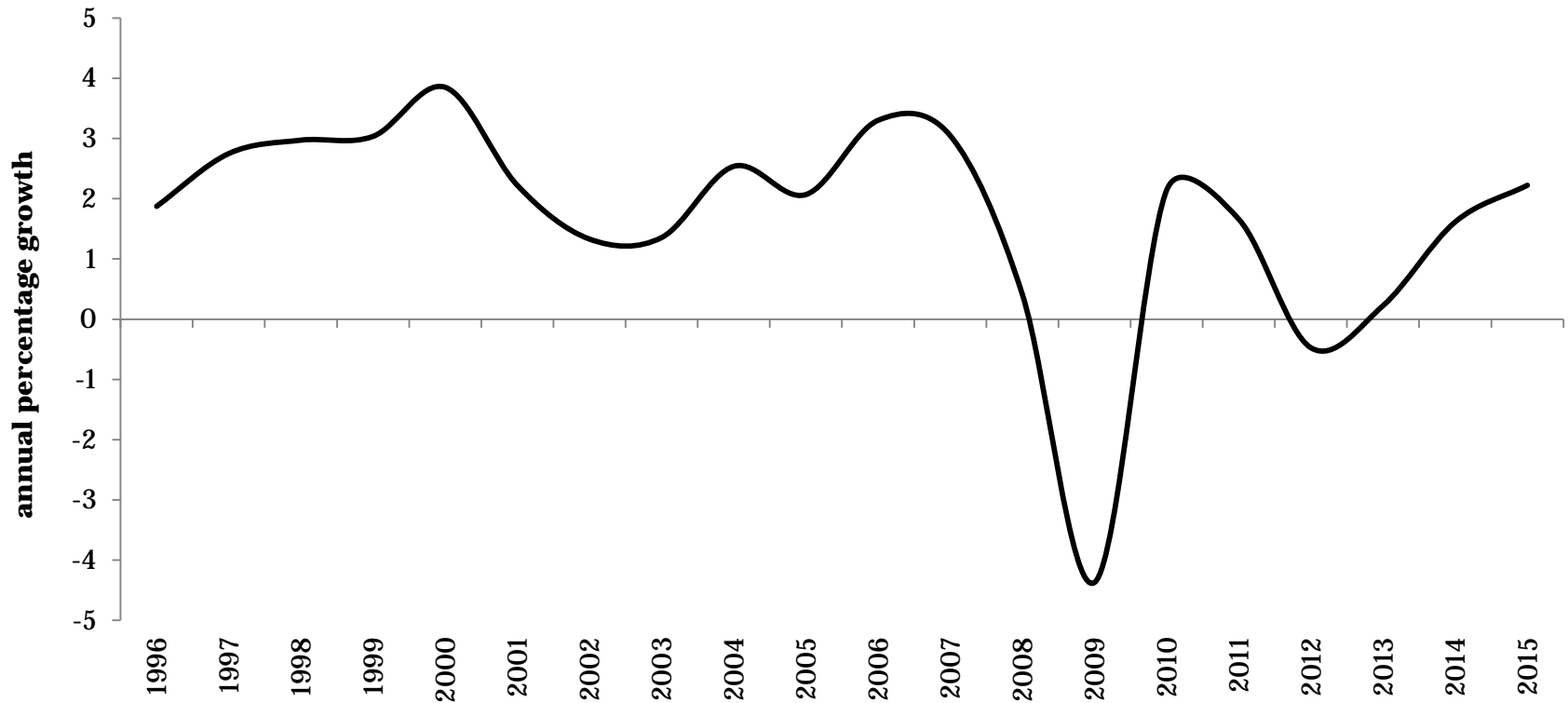
MAJOR DEVELOPMENTS IN VET FROM THE 1990s ONWARDS

Timeline →

	1990	1995	2000	2005	2015
Establishing the VET system	The integration of VET in the education system as a mainstream choice upon completion of lower secondary education				
Major thrust in building participation	Increasing participation levels in VET especially where little previous history of delivering, for example, apprenticeships				
Emphasis on WBL			Increased emphasis on workplace based learning as a relatively effective means of delivering skills		
Increased emphasis on skills matching		Major developments in trying to better match skills supply to skills demand			
Developing a competence based approach		Creating a competence based systems		Introduction of qualification frameworks that recognise competence EQF / NQF Broadening occupational skill profiles	
Focus on transversal skill needs				Increased recognition of transversal skills (especially digital ones in the context of Industry 4.0) – e.g. the agreement between MS on key competences in 2006 Austerity affects VET budgets leading to some rationalisation of provision	
Consolidation of the VET market for training		Importance of finding ways to accredit skills learning outside of formal learning			Increased emphasis on CVET within the formal VET system
Skills supply			Substantial boost to skills supply with accession of nine countries to EU		Further boost to skills supply with inflow of refugees to EU
The push to higher level VET		Push toward provision of VET at higher levels			

AN INITIALLY BENIGN ECONOMIC CONTEXT FOR CHANGE

Annual percentage change in GDP



CHANGE IN THE POST-RECESSION PERIOD

- Expenditure cuts in VET which have been experienced in some countries results in more needing to be done with less. This in turn:
 - reinforces the need to ensure that the VET system delivers the skills the country needs. This almost becomes a value-for-money test for some VET systems
 - results in VET schools have fewer resources to invest in the technologies that people need to be trained in if their skills are to be relevant to the labour market
 - brings about a transfer the costs of training away from the State to employers and learners.
 - identifying the means to more efficiently stimulate skills supply such as focusing more on recognising workers' skills that they have acquired on the job outside formal training.
- These changes are important in some countries though perhaps do not need to be over-stated. Some countries have not reduced their VET funding

MANAGING TECHNICAL CHANGE I

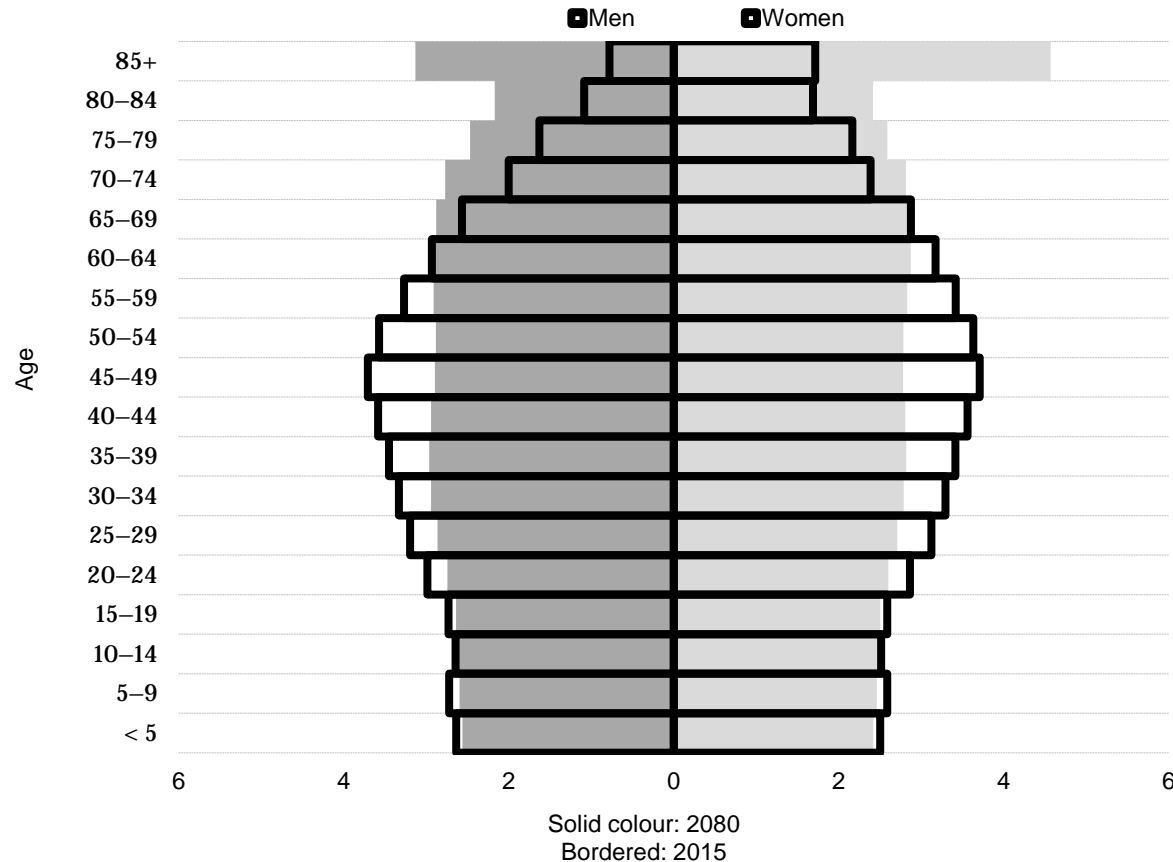
- Across all countries the technical change has created pressures to ensure:
 - people possess the latest technological skills (i.e. those related to Industry 4.0)
 - VET gains traction in emerging service sectors;
 - a VET infrastructure is in place to deliver skills that value in the labour market
 - people are equipped with the skills that will provide them with means to move job when necessary as a result of structural skills

MANAGING TECHNICAL CHANGE II

- The response to these pressures can be observed in developing the VET system that is:
 - better aligned with the needs of the economy (i.e. being more demand driven, but also trying to develop links with skills anticipation systems)
 - more broad based with an emphasis on delivering transversal skills
 - better able to meet higher level skill needs

DEMOGRAPHIC CHANGE

Projected change in the age structure: 2015 and 2080 compared



VET AND DEMOGRAPHIC CHANGE

- The need to fill those jobs which people retiring from the labour market will exit
- Being able to equip people with lifelong learning in their later years to prevent their skills becoming obsolescent. The skills people acquire in what might be referred to as their initial, initial vocational education in their early years is even less likely than in the past to carry them through the labour market to their retirement
- There are questions about the future financial well-being of older people which might induce them to continue working beyond the age at which they become eligible for a state pension. This might place pressure on the employment and VET systems to equip people with the skills that will grant them access to jobs that older people
- The demand for people to work in jobs that related to the ageing of the population
- Being able to maintain a VET infrastructure especially where the number of entrants to VET is projected to decline.

CONCLUSIONS

- VET appears to go in and out of fashion over time. The 2010s has proved to be a period of increased public policy interest in VET. In part this is a response to increasing concerns about the degree of skill mismatch in the economy.
- IVET today, in many countries, looks very different to how it looked at the beginning of the 1990s in several countries. Even if the esteem in which IVET is held is not as high as that in which general / academic education is held, in many countries it has matured over time into a major constituent part of the formal education system..
- Policy shifts are apparent in countries between centralisation and decentralisation with respect to which institutions are responsible for VET.
- The evidence suggest a broadening of course content (and a reduction in the total number of qualifications available) reflecting pressures to equip people with broad skill sets to meet changing labour market demands.
- Arguably the increased autonomy key institutions in the VET system have acquired over time - and the flexibility it potentially confers upon the VET system - means that it is better placed to respond to changes in the labour market and economy.

CONCLUSIONS

- The nature of recent technological changes has resulted in concerns that VET schools falling behind in their attempts to keep abreast of the rate of change.
- Demographic change, in combination with austerity, has led to some consolidation in VET provision. So one is faced with increased pressures being placed on the VET system to deliver the skills a country needs and, at the same time, resource provision is becoming tighter
- There is an emphasis on the VET system becoming more responsive to the needs of the labour market and society more generally. According VET providers need to be increasingly responsive to market demand
- A common thread is that of IVET being extended to higher levels, beyond its upper secondary level heartland – this is part of the process of ensuring that VET is attractive to young people
- CVET may be becoming less of a private investment decision. This is mainly a consequence of labour markets becoming more flexible and people being expected to spend longer in them before retiring

Thank you

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