



Subsidy for practical learning

Subsidie Praktijkleren



Netherlands

1 DESCRIPTION

Timespan

The measure was implemented in 2013 and it will run until 2019.

Stage

FULLY OPERATIONAL

Focus area



MATCHING SKILLS FOR TODAY'S JOB MARKET

2 FOUNDATIONS

Policy Area



INITIAL VOCATIONAL EDUCATION AND TRAINING

The measure aims to help enterprises to offer a practical, work based learning environment so that students from all levels of vocational education, as well as tertiary education (HBO in this case), and PhD researchers can gain the practical skills they need as part of their education. In this way, enterprises help students across different education levels to gain the relevant practical experience to complete their educational programme. The secondary initial vocational programmes receive the most policy focus and funding from the instrument, suggesting more focus on this area within the instrument.

Policy Goal

The measure aims ultimately to help better prepare students from various vocational educational levels and backgrounds for the labour market. Enterprises and employers in turn gain better educated employees. The subsidy allows enterprises and employers to offer work-based learning places within their organisation to better train students. The rationale is that there are groups of students in vocational education programmes and research students that require practical work experience to complete their educational programmes or to gain practical working experience. The measure seeks to ensure that enough good quality work-based positions are available by encouraging and supporting enterprises and employers to set up such work-based training positions. In this way, students are ensured good positions where they learn the skills they need for their immediate education and their future jobs as well.

Mismatch

PART OF BROADER PROGRAMME, YET WITH EXPLICIT FOCUS

The subsidy allows enterprises and employers to offer work-based learning places within their organisation to better train students. The aim of the instrument is to 1) help vulnerable groups in society with above average levels of youth unemployment; 2) help better train students in sectors where there is insufficient supply of properly trained personnel; and 3) to help scientific personnel become better trained and thereby, contribute to the Dutch knowledge economy. There is a focus on skills mismatch, as it aims to better educate and train individuals from vocational education programmes and students/employees from scientific institutions.

Aim of policy instrument



MATCH SKILLS OF YOUNG GRADUATES



FACILITATE JOB/CAREER TRANSITIONS



BROADLY ADDRESS SKILL MISMATCH

Legal basis

REGULATION

Administrative level

NATIONAL

Main responsible body

The Ministry of Education, Culture and Science

Stakeholders



GOVERNMENT (CENTRAL & REGIONAL)



TRAINING PROVIDERS (PUBLIC/PRIVATE)



SOCIAL PARTNERS



OTHER

The Ministry of Education, Culture and Science is the responsible public entity and provides a substantial part of the funding for this programme. The implementing organisation is the government agency RVO (“Rijksdienst voor Uitvoerend Nederland”) which is affiliated with the Ministry of Economic Affairs. The measure targets enterprises and employing organisations that submit applications to the RVO. If the application is accepted, they receive support from the RVO to make sure their organisation offers an appropriate work-based training position. The RVO carries out checks of the workplaces through visits. Enterprises and employers are selected randomly from the sample of participating organisations for these control visits.

Funding

The Ministry for Education, Culture and Science funds the programme. Up until 2019, the funding amounts annually to €196.5 million. Secondary vocational education receives the most funding (MBO, €188.9 million), followed by tertiary vocational education (HBO, €3.4 million), researchers (€2.8 million) and primary vocational educations (VMBO €1.4 million). Enterprises also incur costs to make their workspace suitable for a training position, but the costs may vary, as does the level of subsidy they receive.

Intended beneficiaries

The intended beneficiaries are ultimately individuals following vocational education programmes and scientific researchers (such as PhD students). Additionally, people from socially vulnerable groups, with higher levels of youth unemployment, as well as students in education programmes, where there is a deficit in the labour market, enjoy more focus within the instrument. In a more direct sense, enterprises and employers can be considered the first beneficiaries as they receive the subsidy.

3 PROCESSES

Use of labour market intelligence



DESIGN TRAINING PROGRAMMES TO ACTIVATE UNEMPLOYED



ENABLE STRATEGIC BUSINESS DECISIONS

The LMSI tools here focus on helping to provide better work based training positions for students from vocational education and researchers. The aim is to help these students to gain better work experience, making them employable. There is the additional focus within the programme on encouraging employment in knowledge intensive sectors (for the researchers), and a focus on getting students to learn and gain working experience in sectors where there is higher demand for skills.

Financial schemes

The instrument subsidises enterprises and other employers to provide a work-based training position within their organisation. Different levels of subsidies apply for different vocational education and work type placements. In 2015 and 2016, the subsidy could be as high as €2,700 for each placement.

Frequency of updates

Applications can be made for a few months before each school year.

Development

The instrument was developed by the Ministry of Education, Culture and Science. In 2013, a change was made where by graduates from the Dutch education level VMBO could also make use of the subsidy, as this group of graduates also experience problems in reaching employment. The budget of the subsidy was lowered as of 2017 to €8.5 million. The reason for this is that graduates from the education levels HBO, WO and graduated PhD students were underused.

Barriers

The measure was first implemented in 2013. Since then, some challenges have become apparent. One of the more often recurring problem is a disconnection between the vocational training programme being followed and the type of work-based training position the students select. Due to the challenge of not always receiving the correct information from applying enterprises, in 2015, the RVO launched the online platform for submitting applications, called "Praktijkleren Online". The online system was set up in order to check that the applications are complete, and that enterprises and employers fulfil all the criteria and conditions for participation.

Success factors

A success factor of the measure is its accessibility for enterprises and the administrative simplicity in registering and participating. The application can be done online, and full participation requires another 2 documents demonstrating that the enterprise is a certified "leerbedrijf" or learning enterprise, and a formal agreement with the graduate. Following the start and use of the subsidy, enterprises must submit reports on the outcomes of the graduate's time at the enterprise, an account of the exit conversation, and an overview of the costs made by the enterprise. The administration required is necessary to promote and ensure a mutually beneficial experience for both the enterprise and the graduate in question.

Monitoring

The RVO monitors the quality of the work-based training positions offered by visiting a sample of beneficiary enterprises. The RVO also monitors the number of work-based training positions being offered, for which courses and vocational education programmes these positions are suitable, and the nature of the contract or agreement that is made with the student who makes use of such a position. The use of sample-based quality inspections is relatively efficient, and the new online portal is also a more innovative and efficient approach to checking applications.

Innovativeness

SLIGHTLY INNOVATIVE

The measure is somewhat innovative. It follows an interesting approach of encouraging enterprises to offer work-based training positions to help students complete their education and gain work experience. The measure has a special focus on students studying and wanting to work in sectors with high skills demand and on researchers active in sectors that contribute to the Netherlands' knowledge economy. The simplified administration and use of an online portal for applicants to use is also an innovative element.

④ SUSTAINABILITY

Evidence of effectiveness

The measure seems to be relatively effective. For the school year 2014-2015, 93,000 applications received for work-based learning positions. This is a slight increase compared to 2013-2014, when the number was 92,600. This is difficult to evaluate, as the target number of participating enterprises and work-based training positions is not known. At the national level, the government is satisfied with the performance of the subsidy, though from 2017 a budget reduction was introduced, as less HBO, WO, and PhD and post-doc students made use of the training positions than expected. Unexpected costs arose from the suboptimal alignment between enterprises and the educational programmes. This was one of the reasons why the online portal was introduced, namely to allow more efficient checking of the applications from enterprises. Furthermore, a trend came to light in 2015 that students in practice sometimes did not receive enough support and face-to-face time with the individual responsible for their guidance within the enterprise.

Engagement of stakeholders

The stakeholders involved here are the Ministry of Education, Culture and Science, the government agency the RVO, enterprises and employers, and VET institutions. The Subsidie Praktijkleren instrument has a central administration, and reports annually to the government about the performance of the subsidy.

Transferability

EASILY TRANSFERABLE

The measure appears quite transferable since a government agency implements the instrument. Enterprises submit applications in exchange for a subsidy to help them prepare their organisation to offer a good quality work-based training position. As such, the dynamics in the measure are not particularly complex and do not require much extra administrative or institutional input to run. Human resources personnel and an online portal are required for the receipt and check of applications, and financial resources are needed to cover the subsidies that the enterprises receive.

Sustainability

The instrument will run until 2019. Pending an evaluation, the instrument may continue after 2019. It appears the instrument became increasingly popular amongst enterprises, given the slight increases in participating enterprises.
