

Study visit group report

Group No	245
Title of the visit	Creating a demand-led VET system: the UK experience
Topic	Reforms in national education and training systems
City, country	Exeter, Devonshire, UK
Type of visit	VET
Dates of visit	07- 11 March 2011
Group reporter	All participants actively contributed to the report. (Jordi Font-Agusti & Aisling Penrose acted as Co-ordinators)

I FINDINGS

1. One of the objectives of the study visits programme is to exchange examples of good practice among hosts and participants. Cedefop will select well-described projects/programmes/initiatives and disseminate them to former participants and a wider public, including potential partners for future projects. Therefore it is important that you identify and describe all aspects that, in your view, make these projects/programmes/initiatives successful and worth exploring.

Introduction

The UK VET (Vocational Educational and Training) system is a good example of a market-oriented system which is based on intense cooperation between government (including training institutions), individuals and employers.

There is an increasing focus in this system on individual demand, with particular emphasis on those most in need of support (e.g. 16-18 years olds with very high unemployment levels as reported by the statistics for the county). The UK system seeks to enable close

interaction with employers to assist in identifying and meeting skills needs of enterprise. For example, Jobcentre Plus has been proactive in approaching new business ventures such as the Jurys Inn or the new hotel being built alongside Exeter airport and working closely with them in relation to skills requirements.

Government funding to VET providers is linked to performance of learners/apprentices and satisfaction of employers. 75% of government financial support for apprenticeships is paid to the college in advance, while the remaining 25% of funding is supplied to the college only if the apprentice performs successfully throughout the programme.

The current economic and financial crisis poses a challenge to the system as government funding shrinks and companies seek to obtain greater efficiency and value for money. Therefore the adoption of some good practices evident in other countries (e.g. levy-based training fund in Hungary could minimise the risk of employers losing an employee after training and could support companies which are most affected by the crisis) may be considered in order to improve the UK system.

It may be feasible to transfer a number of good practices outlined during the course of the study visit to participants' countries. This report focuses on those good practices and their possible transferability.

The content of the study visit illustrated several instances of good practice, not only in the host country but also in participants' countries. The diversity of VET systems in Europe means that the national policy on VET for one participant country can provide examples of good practice for participants belonging to a different VET system. For this reason we have listed the good practices in two categories: general good practices (mainly related with governmental policies) and specific good practices (mainly performed by enterprises, unions and local institutions).

General good practices

title of the project/programme/initiative	country	name of the institution that implements it (if possible, provide a website)	contact person (if possible) who presented the programme to the group	whom the project/programme/initiative addresses	what features of the project/programme/initiative make it an example of good practice
Dual system - strong emphasis on work based training	Germany and Austria	Federal governments http://www.bmbf.de/ Federal Institute for Vocational Education and Training (BiBB) www.bibb.de	Henrik Schwarz (BiBB), Sandra Kaulfersch (HBE), Karl Wieczorek (Austrian Federal Ministry for Economy, Family and Youth)	Young people, education and training institutions and enterprises	Young people: mix of practical experience at work and theoretical knowledge at school Enterprises: possibility to conduct a contract with young and prospective employees (i.e. apprentices) Education and training institutions: training programmes better match labour market needs
Work experience as a subject in / after compulsory education	UK	Devon Education Business Partnership www.devonebp.org.uk	Deborah Waddell	14-15 years old students	Every 14-15 yr old in secondary school to receive work placement in enterprise of minimum 1 week . Students can recognise their skills, abilities. It helps young people learn the skills necessary for a productive life
Voucher system or student based VET system	Lithuania	Ministry for Education and Science www.smm.lt/en/	Simonas Gausas	VET Students	The principle that money follows the student - VET schools are financed on the basis of actual demand

Financing of VET by enterprise training levy	Hungary Greece	Federal governments	Klaudia Szemereyné Patak (HU) Georgia Haloulou (GR)	Employers and training institutions	This practice is an incentive for employers to evidence their provision of VET and apprenticeships, in order to reimburse their contributions (0,45% - 1.5% on gross payroll levy) withheld by the National Fund. Thus, all employers contribute to the vocational training of the country's workforce, eliminating the "free-rider" cases. (That is to employ trained -by another employer- personnel without having any training expenses themselves).
Ensuring the quality control of the delivered work place training & the provided class training by a) 25% of finance depends on learner's competence and is not paid to college/provider until it illustrates that competencies are achieved b) regular monitoring and assessment of work place apprenticeship training by the college/provider.	UK	Exeter College Business Solutions www.exetercollege.ac.uk/Employers/Default.aspx	Paul Champion Head of Business solutions, Exeter College	Training enterprises and training institutions	In order to get the 25% of the finance, the training provider has to illustrate the achieved competence of the students, according to the National competencies standards curriculum. That implies that the assessment procedure he is following, is on a regular and steady basis and not only at the end of training by a single examination. Thus, the assessment outcome is more valid, ensuring the quality of the training, giving also the opportunity for further improvements during the actual delivery of the training.
"Qualifica't" (validation of competences program)	Spain	Department of Education of Catalonia	Jordi Font	Employees and jobseekers with valuable experience and training	This program allows employees to validate work experience and workplace learning and transform it into subjects on the VET curriculum

Modular apprenticeship system	Austria	Austrian Federal Ministry for Economy, Family and Youth www.en.bmwfj.gv.at/Seiten/default.aspx	Karl Wieczorek	Apprentices	Modular apprenticeships allow greater flexibility for the learner, facilitate recognition of previously obtained qualifications and ensure a better response to enterprise needs through specific modules.
-------------------------------	---------	---	----------------	-------------	--

Specific local good practices

title of the project/programme/initiative	country	name of the institution that implements it (if possible, provide a website)	contact person (if possible) who presented the programme to the group	whom the project/programme/initiative addresses	what features of the project/programme/initiative make it an example of good practice
100 in One Hundred Campaign to bridge education and training and needs of business	UK	Exeter College Business Solutions www.exe-coll.ac.uk/Employers/Default.aspx	Paul Champion, Head of Business Solutions	Major focus: persons aged 16-18, 19+ are financed at a rate of 50%	To reach 100 apprenticeship contracts in 100 days in order to reduce the distance between the schools and students on one side and employers on the other. Devon country is very successful in this regard (approx. 65 apprentices this year)
STEM ambassadors	UK	Devon Education Business Partnership www.devonebp.org.uk	Deborah Waddell	Students, young people	Promotion of STEM subjects - Science, Technology, Engineering and Mathematics
Matching needs in labour market	UK	Job Centre Plus www.jobcentreplus.gov.uk	Janet Sinclair	Employers, employees and unemployed	Matching of training with skills needs of enterprise - services for the employer, pre-screen skills and identify skills needs

Career guidance for all ages	UK	Connexions www.connexions-direct.com	Aga Wrazen, Personal Adviser Information and Placing	Focus is on persons aged 16-18. Adults are also served.	People receive a career advice and this helps them to better understand what profession they want to choose. Importantly, adults may also be guided!
Minimum wage of 100GBP for apprentice - Transparency for all training partners	UK	Exeter College Business Solutions www.exe-coll.ac.uk/Employers/Default.aspx	Paul Champion Head of Business solutions, Exeter College	Employers and apprentices	By enacting a minimum wage for apprenticeship, the following can be achieved: a) the employers can estimate beforehand the payroll costs and the burden share of vocational training to their budgets, establishing at the same time an overall transparency in all branches and professions. b) the fact that the (minimum) wage of 100 GBP for apprentices is lower than the minimum wage for skilled workers, tends to increase both, the employer's motivation to train young people and the number of offered training places. c) the apprentices know where they stand in terms of income, so as to organize and schedule their life. & d) the bargaining and the consequent administration burden on VET partners for each apprentice sector are greatly decreased.
Customer friendly job centre	UK	Job Centre Plus www.jobcentreplus.gov.uk	Janet Sinclair	Employers, employees and unemployed	Customer friendly and enterprise friendly - provide equipment and technical experience for job seeker
Young people assistance	UK	Connexions	Aga Wrazen,	Young people	Assist young people to find part-time jobs - sets up for working life

		www.connexions-direct.com	Personal Adviser Information and Placing	at the age of 13-18	
--	--	--	---	------------------------	--

2. The study visits programme aims to promote and support policy development and cooperation in lifelong learning. That is why it is important to know what you learnt about such policies and their implementation during your visit. You are invited to describe your findings concerning the following:

2.1. Approaches taken by participating countries (both host and participants’) regarding the theme of the visit. Are there any similar approaches/measures in participating countries? What aspects are similar and why? What aspects are different and why?

Participants represented a wide range of organisation from education, economic and employment administrations, employer associations, adviser organisations, schools and universities; this variety of backgrounds was extremely useful to the learning experience. The programme for the study visit was well focused around the theme, all attendees related to the subject of the visit, and had extensive knowledge of VET in their country

All participant countries are, more or less, within the European qualifications framework, though a range of VET systems exists in Europe. All participants had a common understanding of the European framework which allowed focused discussions not only on the similarities and differences between the participant countries, but also on the methods being utilised by VET systems in each country to establish more useful and flexible procedures to satisfy the needs of employers and employees.

2.2. Challenges faced by participating countries (including host) in their efforts to implement policies related to the theme of the visit. What are the challenges? Are they common challenges? If so, why? If not, why not?

- *Financing of VET*: Europe is in a post-crises period of budget cuts, which affects the area of TVET. More occasions of exchange of experiences and practices are needed regarding the policy approach ‘Doing more with less’.
- *Attractiveness and reputation of VET*: In numerous countries the reputation of VET is very low. School leavers tend to enter higher education instead of VET pathways. Here a paradigm shift of the cultural mindset of parents, students, all citizens seem to be crucial.
- *Skills shortage* due to the demographic change: The number of VET applicants is decreasing.
- *Quality of VET Schools*: Many countries facing a low quality of VET schools. Enterprises are far ahead of VET schools concerning technologies, infrastructure, working experience. School teachers need to update their knowledge and skills about modern technologies. Intensive cooperation and contacts between schools *and* enterprises are of crucial importance.
- Poor standard of *generic skills* of VET students: In almost all countries a lack of generic skills is an increasing problem. Going towards a knowledge-based society

- requires better generic skills like STEM (Science, technology, engineering and mathematics) as well as key-competencies in communication, problem solving and learn how to learn (see the good practice regarded *STEM Ambassadors*).
- Need for more *skills forecast* studies: Several Study Visit participants reported from the challenge in their countries (Italy, Greece) to receive or deliver updated *labour market information* for the VET institutes.
 - *High frequency of educational reforms* (and reform attempts) are undermining their credibility: The more frequently countries change the VET system the more difficult implementation of reforms. There is a strong requirement for a co-ordinated VET strategy agreed by all governmental, public and private stakeholders.

Generally, the development towards a knowledge-based society will affect both the quality and quantity of skills, raising the question of how many skill profiles are needed in the low, middle and high qualification areas.

2.3. Name and describe effective and innovative solutions you have identified that participating countries (both host and participants) apply to address the challenges mentioned in question 2.2. Please mention specific country examples.

- To minimize the rate of unskilled / unemployed youth work practice for 1 week is compulsory for each pupils at the end of school (e. g. UK & GR, optional in E)
- Training fund (e.g. Hungarian, Italy, Lithuania and Poland) could be one solution to get money / contribution from companies in case there is no / little company participation in VET. In Hungarian for example that money is used to build up integrated VET Centre which provides more practical training. Greece has the same system). In other countries like Germany for example a training fund has been discussed over years but not established. Some parts of stakeholders / society fear that the decreasing but still high number of companies providing training might be negative affected by a compulsory training fund. Some believes that training companies could discharge themselves by just paying into the fund.
- Engaging low-skilled workers into learning activities by developing special programs and support trade unions (and other organisations) to provide training is one step of integration and towards lifelong learning (UK example).
- As the visit of the Eden Project has shown the development of green skills could be easily combined with vocational education and training. Existing VET profiles and apprenticeship training schemes could be added by a momentum of “green thinking”.
- Campaigns to increase and improve STEM (Science, Technology, Engineering, Mathematics) competencies as well as key competencies like learning and

communication skills is a must to cope with increasing requirements in a fast changing world (example UK and other countries).

2.4. Assessment of the transferability of policies and practices. Could any examples of good practice presented in this report be applied and transferred to other countries? If so, why? If not, why not?

The EU initiative *New skills for new jobs* is part of the Europe 2020 Strategy, it emphasises “bridging the gap between the worlds of education and work”. The following good practices in VET have been selected by the Study Visit Team, some elements of which may be transferrable and implemented in their own socio-economic contexts.

A. Good Practice: The *Dual System* in Germany, Austria and Denmark

A comprehensive vocational education and training system delivering dual knowledge - transfer at: 1) the work-place - on the job training by professional supervisors who give *practical* instructions, and 2) ‘professional schools’ providing *theoretical* classroom-training.

The work-place part of the *Dual System* comprises the following core added values:

1. Workplace learning can offer high-quality learning in the real-world, so students can learn practical skills, use up-to-date equipment, gain exposure to the most recent work methods and key soft skills (customer service). The Dual System builds a bridge between the formal education system and the “world out there” and gives trainees contact with the area of their professional interests.
2. Workplace learning in the Dual System facilitates a two-way flow of information between potential employers and employees (improving school-work transition with quick and cost-effective recruitment);
3. Workplace learning trainees can make a contribution to the business;
4. Workplace training improves the *reputation and image* of technical VET and the related roles. For instance, in crafts and manufacturing, highly-skilled workers are needed, due to demographic changes and skills shortages. Employers providing vocational training signal that learning has a labour market value.
5. Workplace learning provided by professional supervisors, based on standardised occupational profiles and combined with real work-related practical examinations organised by independent examination boards improves the *quality* of VET.

In summary, the European VET system is still too theoretical and classroom based, resulting in less interest in craftsmanship and hands-on-experience.

B. Good Practice: "One-Week Compulsory Work Experience" from the UK to Austria

Several market-oriented good practices from the *United Kingdom* provide ideas to further adapt and improve the field of educational guidance and counselling in *Austria*. The implementation of the good practice "*One-Week Compulsory Work Experience*" may not be foreseeable in *Austria*'s vocational training and employment system in the short-term; however, it has some highly appealing features.

Austria already offers several possibilities for pupils / students aged 14/15 for real-work experiences for up to three weeks; but it is *not compulsory* nor as widespread as in the UK.

The "*One-Week Compulsory Work Experience*" comprises the following core added values:

1. It gives young people the chance to try whether their aspirations of training in a certain profession correspond to the real conditions in that business sector.
2. It gives companies the chance to test whether a student is talented and suited for the business sector.

These added values result in:

- less frustration for both the company and the young person in case of a mismatch;
- reduced administrative burden, when for instance, dissolving a training contract.

Workplace learning needs to be supplemented by other training services and learning environments: some theoretical and/or practical issues can be more efficiently learned in the classroom; basis skills may be taught more cost-efficiently in groups or at vocational schools (economies of scale).

To adapt the *Austrian* regulations on educational guidance and counselling it must be considered that, especially in the field of apprenticeship training, all stakeholders - the Federal Ministry for Economy, the Ministry for Education, the Chamber of Commerce and the Workers Unions - work closely together when establishing new rules for apprenticeship training. This means that new legal provisions for apprenticeship training will only be put into force when all interests have been taken into account (compromise-building).

Some critical aspects which would need further analysis: compulsory and longer work experience for pupils could lead to

1. "exploitation" of these cheap workers;
2. *health and safety* concerns for these inexperienced, less stress-resistant workers whose work experience is not part of regulated vocational training.

The VET regulations in *Austria* would need to be adapted accordingly.

C. Good Practice: "Skills Scouting" by Labour Market Actors and Trade Unions in the UK

British labour market operators such as *JobCenter Plus* and *Connexion* and trade union organisation such as *UnionLearning* are scouting economic growth sectors and business initiatives such as the construction of a shopping centre in South-West England or establishment of a regional low-budget airline “on the field”. Labour market actors are pro-actively contacting employers to ask “what skills do you need?” and offering human resources selection and recruitment services. This cooperation between job-centres, HR companies, trade unions and employers is guided by “Regional Skills Councils”.

Once a pool of possible candidates is defined, a full match between supply and demand of skills is achieved by special VET schemes.

Since “skills scouting” and pro-active delivery of unskilled candidates and workers is not yet a priority, for trade unions in several Mediterranean countries (Greece, Italy, Spain), parts of “skills scouting” services may serve as a model for diversifying trade unions’ services.

3. Creating networks of experts, building partnerships for future projects is another important objective of the study visit programme.

The nature of the study visit theme determines that the possibility of further partnerships must be linked to national programmes. However, some attendees working in similar fields (e.g. employer organisations) have expressed an interest in maintaining contact in order to share learnings of experiences and procedures in their countries.

TO SUM UP

4. What is the most interesting/useful information that the group believes should be communicated to others? To whom, do you think, this information will be of most interest?

Flexibility, continuous monitoring and updating of the provision of future skills needs to meet the needs of both employers and employees are the required actions to develop and maintain an effective VET system to meet the needs of all users. Strong links between employers, unions, educational authorities and employment authorities is necessary to provide a high level of service to students, employees, employers and job seekers.