E-discussion: Unlocking the potential of TVET and skills systems: What does reform look like?

Strengthening the ability of workers to adapt to changing market demands and to benefit from innovation and investments in new technologies, clean energy, environment, health and infrastructure enables countries to be more competitive in the global economy and better respond to rising challenges in the labour market.

Yet stepping up investments in skills to meet current needs and to better respond to global trends, which affect all regions, calls for a reform on training policies, institutions and methods. However, the challenge is not the same for all countries. For least developed countries where training institutions and skills policies are not fully developed, this represents a particularly difficult process. In these countries, high levels of informality, or a lack of legal framework to enforce certain training standards usually characterizes training systems. For them, a revision of technical and vocational education and training (TVET) institutions and the skills delivered through these establishments, in addition to the capacity to certify and recognize informally obtained skills is particularly relevant.

In more developed economies, demographic and technological changes have challenged successful TVET systems. For instance, technological changes have diminished the demand for manual tasks, while demographic changes such as population ageing represent barriers to an efficient matching of skills supply and demand. Countries that have better managed the impact of these global drivers of change have adopted approaches to TVET and skills development systems that equip their workforce with skills that enable enterprises to adopt new technologies, diversify their production and structures, and attract foreign direct investment (FDI).

In tackling today’s global youth employment crisis - characterized by high levels of unemployment and poor quality, low paying jobs – TVET can help minimize skills mismatches, which disproportionately affect young people in developing countries. Moreover, TVET’s orientation towards the world of work can help smooth the transition from education to employment. Countries that have it at the core of the curriculum – such as Germany, Switzerland, Austria and the Netherlands – have been successful in maintaining low youth unemployment rates. Yet, in many developing countries, vocational education is considered a “second choice” education option, held in low regard by both young people and their parents.

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Making quality training opportunities available to all, in particular young people, helps to support sustainable development and decent work. (Sustainable Development Goals 4 and 8). So, what specific reforms are needed for TVET in order to have a significant impact on reducing youth unemployment in an era of rapid technological change and globalization? TVET institutions must undergo a range of major reforms. Among these are: keeping up to date with labour market analyses and skills forecasts to ensure that their services are forward-looking and pertinent; forming closer links with industry and the private sector to access support for their programmes and improve the relevance of training; and, extending their services to a wider pool of beneficiaries, in particular, rural youth and young women.⁶

More generally, the ILO’s experience suggests that characteristics of successful TVET models also include identifying priority occupations and sectors for each country or region, promoting coordination among TVET institutions, infrastructure development and the establishment of a system of formalization and recognition of prior learning as well as certification of training⁷. Moreover, strong partnerships between government, employers and workers throughout all processes is an essential feature that helps to ensure effective links between the world of learning and the world of work. The ILO’s Recommendation No. 195 on Human resources development: Education, training and lifelong learning, adopted in 2004 calls on member States to develop and implement education, training and lifelong learning policies that promote employability throughout the lives of workers. In developing these policies, the Recommendation recognizes the importance of social dialogue in the process.

The involvement of industries and other private sector partners in reforming TVET is particularly critical due to their clear understanding of their own workforce skills. At the same time, they have the technical know-how and experience that should be provided to TVET students. The participation of the private sector in skills delivery can take on many forms including enterprise-institute partnerships, workforce development initiatives, sectoral alliances and public-private partnerships. Successful private sector interventions have been shown to be effective in overcoming skills mismatches and generating more sustainable TVET systems.

Examples of ILO’s experience in TVET reform include the “TVET reform project in Bangladesh” operated from 2007 to 2015. This project aimed at integrating underprivileged groups into nationally recognized skills development programmes and ultimately into decent work opportunities⁸. Another example is the “Applying the G20 Training Strategy” (2012-2016) project, implemented by the ILO in Armenia, Kyrgyzstan, Tajikistan, Jordan and Vietnam. A main aim of this project was to improve the functioning of the vocational education system and its connections to employment service delivery through increased participation of the social partners in skills development.

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Considering the role of TVET in improving the employment prospects of young women and men, and in minimizing current and future skills gaps, this month’s E-Discussion will focus on vocational education. Over the next two weeks, the Global KSP would like to hear about your experiences and expertise in working on TVET systems and skills development initiatives. We also invite you to share good practices on successful TVET models.

**Week one questions:**

1. What does a successful TVET system look like? What would you identify as the key elements for success?

2. What are some of the reform priorities that low and middle-income countries identify when they take steps to upgrade TVET systems?

3. What works in TVET reform? What does not work? What are some successful examples of TVET reform?

4. How important is the issue of coordination between different government agencies and with the private sector to deliver effective TVET system reform?

**Week two questions:**

5. What are key factors that will determine the nature and types of skills needed in the future and how can TVET systems improve their responsiveness to changes in skills demands?

6. To what extent are the operations of the TVET institutions in your country informed by regular and ongoing assessment of labour market trends and industry developments?

7. What role do public-private partnerships play in ensuring that formal training is more responsive to the needs of individual workers and employers?

8. Existing research shows that adapting to technology/automation is one of the key driving forces impacting employment and skills. What are the most critical reforms needed for TVET policy and systems to enable countries to respond to an era of higher technology?

9. What changes are needed in order for TVET systems to better promote more inclusive and sustainable growth?