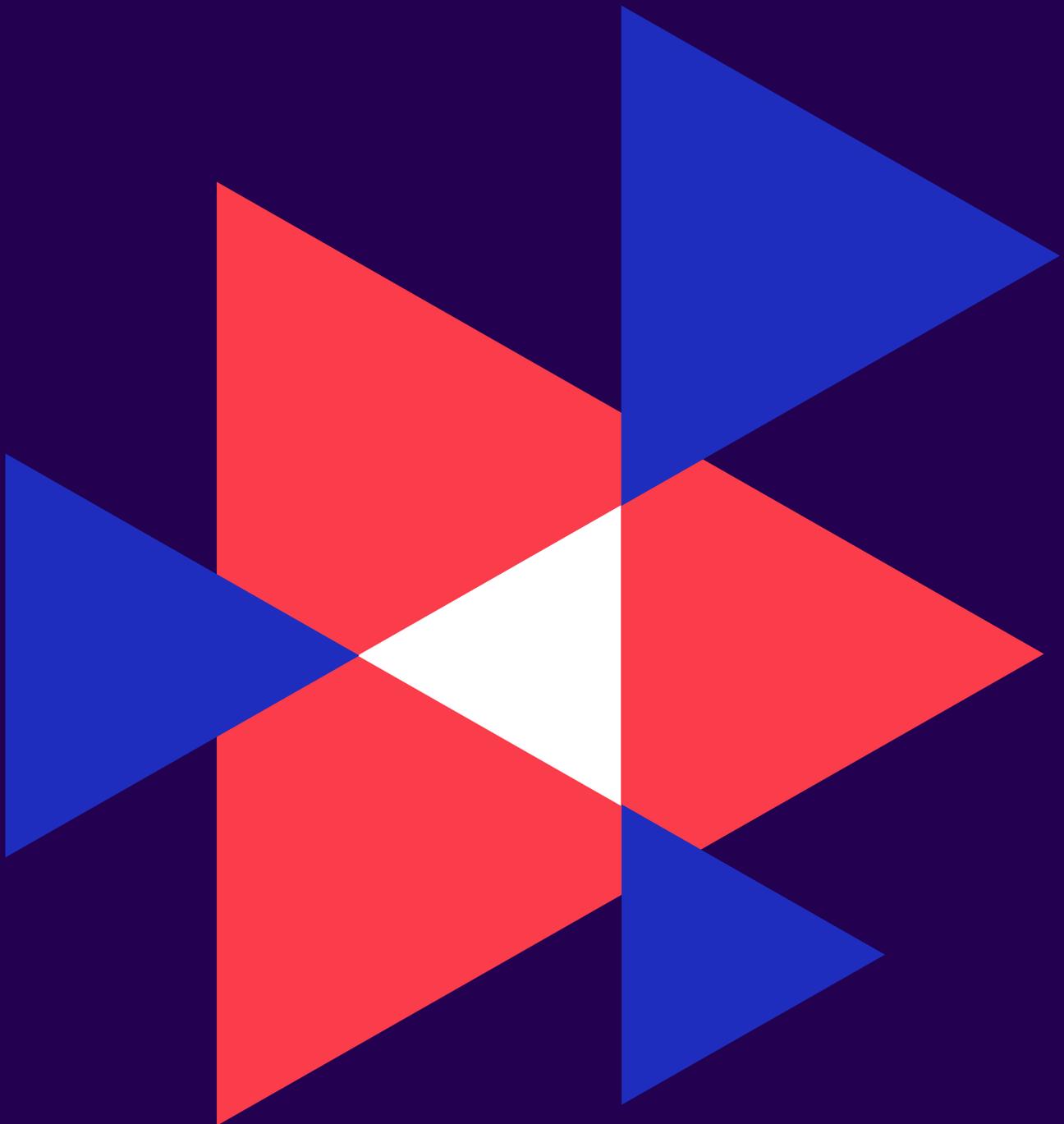




International
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Organization

▶ A Resource Guide on Sector Skills Bodies

Developed by the ILO Skills & Employability Branch



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Developed by the ILO Skills & Employability Branch

April 2021

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First published 2021

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ISBN: 978-92-2-034908-3 (Print)

ISBN: 978-92-2-034909-0 (Web PDF)

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Code: SCR-REP

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► Acknowledgements

This guide has been developed and produced with financial support from the Norwegian and Russian governments respectively through the SKILL-UP and G20 Training Strategy projects. The guide was developed by Paul Comyn of the ILO Skills & Employability Branch with research and drafting consultancy support from Martin-Christian Kent and Belinda Smith. The ILO would like to thank all colleagues in the field and regional partners who gave their time and contributed to the development of this resource guide.



► Foreword

One of the most frequently asked questions in the debates surrounding skills development is how to increase engagement with industry. By industry, we mean employers and workers, either individually or through their representative organisations like industry and membership bodies, including trade unions. In the language of the ILO, the social partners.

Increasingly, governments and social partners are considering sectoral approaches as an effective way to achieve the goal of bringing the world of work and the world of education and training closer together. This is not necessarily a new concept, but in many countries the idea has only recently taken hold.

A sectoral approach to skills development allows key stakeholders to identify the skills challenges in their sector and to collectively develop solutions. It allows greater ownership of the problems and solutions, and enables new partnerships to be formed, often amongst actors that have not worked together before on skills issues.

Sectoral approaches typically require some form of institutional set-up that brings together key stakeholders in the sector and carries forward their work. In many countries, these institutions are called sector skills councils or industry skills councils, and increasingly, the ILO is being asked to support their operations or lead their establishment.

This resource guide has been developed as a tool to assist governments and social partners to understand why sector skills bodies can be an effective mechanism to improve industry engagement, what roles & responsibilities they can have in a system, and the key issues that need to be considered. The guide also provides advice to newly established sector bodies so they can commence their work with effective governance in place and a clear understanding of the main tasks they are likely to undertake.

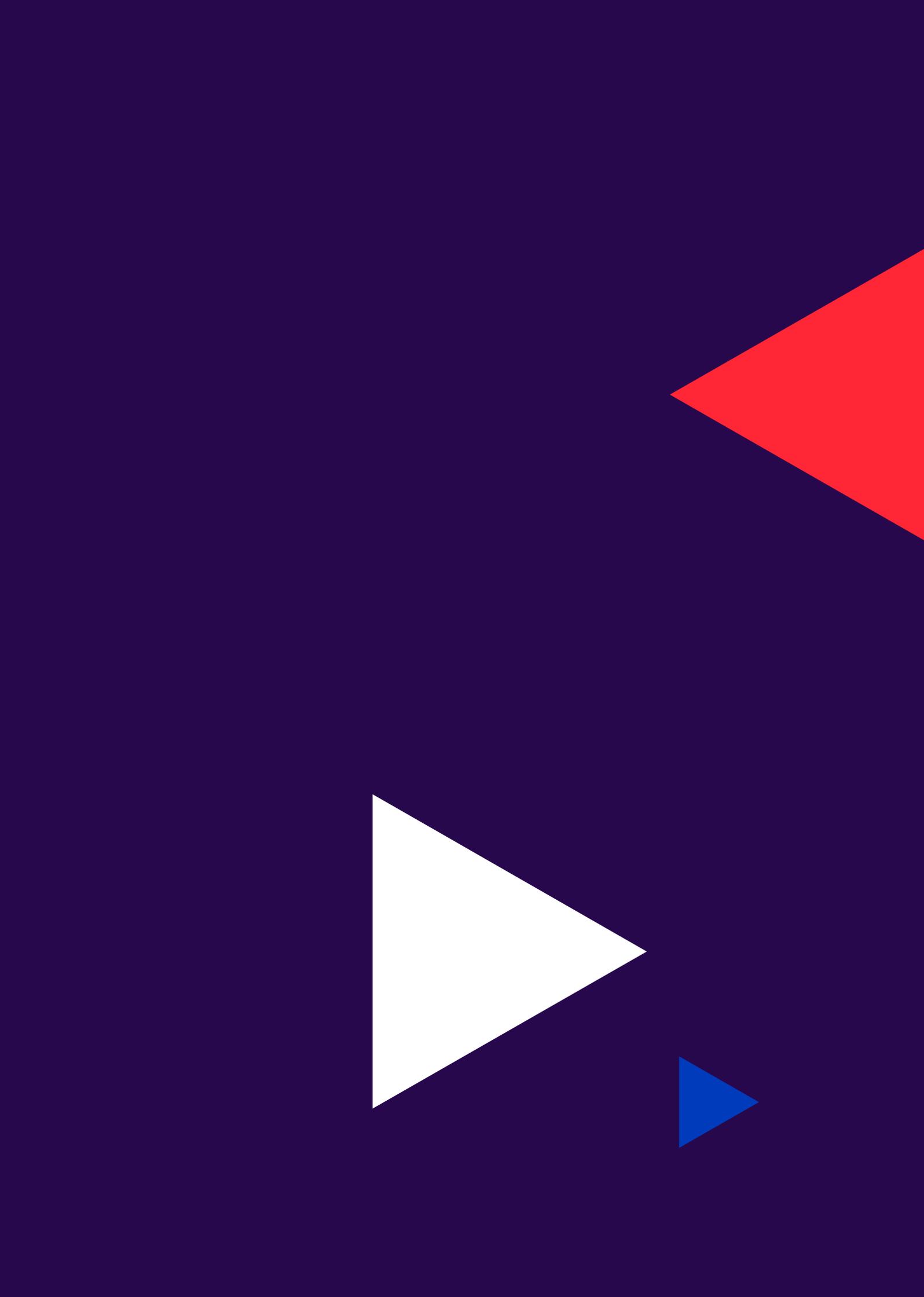
In doing so, the guide provides many rich examples from around the world of how sector skills bodies are changing the face of skills systems and strengthening industry engagement.

The guide however does not shy away from the challenges of establishing sector skills bodies. The bodies need careful consideration and deliberate action to ensure employer and workers representatives are effectively engaged.

They need to be adequately resourced and supported, and given meaningful roles in the system to ensure senior industry engagement and leadership in their sector. They need time to become established and to develop the expertise they need to take on this leadership role and become the trusted broker between enterprises and the education and training system.

I commend this guide to anyone that has an interest in sector skills bodies and would like to congratulate colleagues for developing this resource.

► **Srinivas Reddy,**
Chief Skills & Employability Branch
ILO Geneva



► Glossary

CEDEFOP	European Centre for the Development of Vocational Training
EBRD	European Bank of Reconstruction and Development
ESDC	Employment and Social Development Canada
ETF	European Training Foundation
HR Councils	SSB model found in Canada
ILO	International Labour Organisation
IAG	(Careers) Information, Advice and Guidance
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit, German Development Agency
HRDC	Human Resource Development Council, Sector Skills Bodies operating in Canada
ITO	Industry Training Organisations, currently being replaced in New Zealand
ISIC	International Standard Industrial Classifications
ISC	Industry Skills Council, Sector Skills Bodies operating in Bangladesh
LMI	Labour Market Information
LMO	Labour Market Observatories
MSME	Micro, Small and Medium Sized Enterprises
NGO	Non-Governmental Organisation
NOS	National Occupational Standards
NSDA	National Skills Development Authority, Bangladesh
NSDC	National Skills Development Corporation, India
NSSCs	National Sector Skills Councils
SEBRAE	Serviço Brasileiro de Apoio às Micro e Pequenas Empresas, Brazil
SENAC	Serviço Nacional de Aprendizagem Comercial, Brazil
SENAI	Serviço Nacional de Aprendizagem Industrial, Brazil
SENAR	Serviço Nacional de Aprendizagem Rural, Brazil
SENAT	Serviço Nacional de Aprendizagem do Transporte, Brazil
SETA	Skills Education Training Authorities, SSC model in South Africa
SIC	Standard Industrial Classifications
SOC	Standard Occupational Classifications
SSB	Sector Skills Body
SSC	Sector Skills Council
SIC	Standard Industrial Classification
STAC	Sectoral Technical Advisory Committees, Mozambique

STED	Skills for Trade and Economic Diversification, labour market methodological approach developed by ILO
TASC	The Association for Sector Councils, Canada
TSDC	Technical and Vocational Skills Development Council, Jordan
TEC	Tertiary Education Committee, New Zealand
TSDC	Technical and Vocational Skills Development Commission in Jordan
TVET	Technical and Vocational Education and Training
WDC	Workforce Development Councils, Sector Skills Bodies being introduced in New Zealand

▶ Introduction

This guide has been produced for policy makers and stakeholders who may be considering establishing sector skills bodies or are involved in their early stage of development. It has been produced in response to a growing interest in establishing sector skills bodies to increase and strengthen the involvement of industry; both employers and workers, in the way technical vocational training and education (TVET) is designed and delivered.

The guide explores different international models that have been established and looks at key factors to consider when establishing Sector Skill Bodies (SSBs); how they can be best supported during the early stages of their development and what to consider during the initial period of their operation

The guide is structured into three main sections:

- ▶ **Section One: An Introduction to Sector Skills Bodies** focuses on the key issues to consider when establishing SSBs, including their Roles and responsibilities, their structure, funding and oversight. The section is aimed at policy makers and stakeholders considering establishing SSBs
- ▶ **Section Two: Establishing Sector Skills Bodies** highlights the ideal process to engage tripartite stakeholders and secure their commitment to introduce SSBs. It also outlines a number of common challenges and strategies to overcome them. This section is again helpful for policy makers and stakeholders considering establishing SSBs
- ▶ **Section Three: Operating Sector Skills Bodies** outlines the possible governance arrangements, activities in key functional areas and communication and engagement that need to be in place as an SSB starts operations. It is primarily aimed at those involved in the SSB, as well as those overseeing their activities.

The international examples in the guide attempt to illustrate the wide range of approaches that have been adopted globally and help set out the options available to countries considering adopting SSBs. Annex A provides an overview of a number of countries where SSBs can be found.

A common challenge for countries considering establishing SSBs is to know which international model may be best suited to their needs. Rather than think about whole models, when reviewing the examples outlined in the guide, it may be useful to consider what individual aspects such as their membership structure, governance or terms of reference, could be combined to make an appropriate model.

It is also worth noting that the skills policy and institutional settings in any country are in a constant state of flux and some of the details described in the guide may no longer be accurate after the time of publication.



► Background

Employers have been an integral part of technical and vocational education and training (TVET) from its early beginnings where master-craft persons passed on their skills and knowledge to apprentices. This approach is still at the heart of many TVET systems where strong apprenticeship systems exist and there is evidence of tripartite engagement in the design and delivery of TVET. However, in many countries, over time, the education system gradually took on greater responsibility for TVET and over time employers became more peripheral.

In recent decades however there has been ongoing effort to increase industry engagement in TVET and skill systems. During the 1990's in particular, as the TVET reform agenda in many countries accelerated, a number of countries either established or revamped existing sector skills bodies to give a renewed push to industry engagement at the sector level; Canada, Australia, South Africa, New Zealand, The Netherlands, Denmark and the United Kingdom for example all gave these sector bodies significant roles in their skill systems.

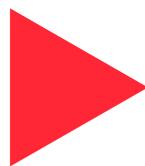
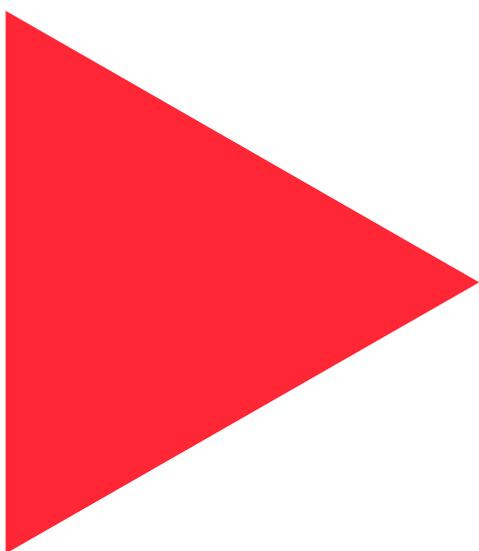
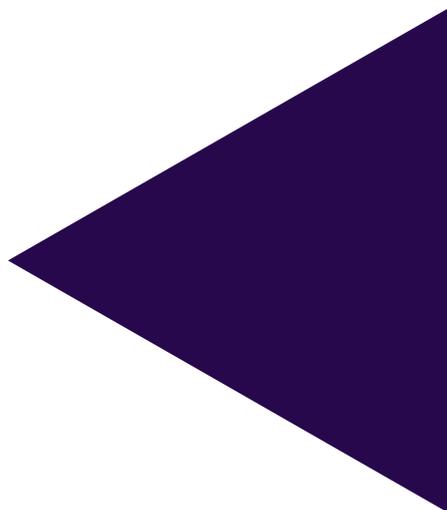
Whilst the concept of SSBs was similar across these countries, the way they were structured and the roles they were given varied widely, reflecting national needs and existing institutional arrangements. What they had in common was that they were largely sectoral and brought together tripartite partners. They were typically tasked with articulating current and future skills and labour market needs in their sector, articulating the skills and knowledge required to become competent in specific occupations (often through the development of skills standards), as well developing or approving qualifications and apprenticeship frameworks.

They were commonly established as autonomous bodies, independent of government, but with an official remit typically outlined in legislation and overseen by a government body or ministry.

Since these first SSBs were established, they have evolved over time, often quite considerably. These changes reflect different government policy and thinking, available funding and employer commitment. As the guide explores, some countries such as Canada and New Zealand have changed the focus of their SSBs, whereas in others, such as the Netherlands and the United Kingdom, SSBs no longer have a formal role and only a few still operate.

In the last decade, SSBs have again become a focus of policy attention with many countries, especially in the global south, exploring their potential through pilots or large scale policy initiatives to adopt sectoral approaches and strengthen industry involvement in TVET has seen SSBs becoming an increasing feature in TVET strategies and TVET reform. As a result, a wide variety of countries have established or are in the process of establishing SSBs, including Bangladesh, Brazil, Cambodia, Chile, Denmark, Ethiopia, the Gambia, Ghana, India, Jordan, Malaysia, Singapore, Tanzania, Lebanon and Vietnam. Many more are beginning to set out on a similar journey.

As the interest in SSBs has grown, so has their advocacy and support from a number of international agencies and donor organisations, including ILO, which has developed this guide to support stakeholders better understand the range of existing approaches and the options they have should they choose to establish SSBs.



Section 1: An introduction to sector skill bodies

► 1.1 Why establish Sector Skills Bodies?

The first and most important step on the journey to establish SSBs is to determine why they should be established and to be clear about what issues in the skill system they will address. SSBs should not be introduced on a whim, or because they are advocated by a particular development partner. A key question is: 'What key issues in the system will SSBs address and how should they be structured and resourced to do so?'

This and other key questions are explored in this first section of the guide which explores the reasons why a country might introduce SSBs and the types of problems that SSBs can address. The section then examines the types of governance, membership, remit and potential funding models that can be considered during establishment.

Considering whether there is a need to introduce SSBs or a similar policy intervention to encourage more industry involvement in TVET is typically undertaken as part of a review of national policy

or a review of the performance of the TVET and skill system. This should involve widespread consultation with key public and private sector stakeholders as well as those involved in designing and delivering TVET.

Such a review should explicitly examine the role of industry and the extent to which employers and workers are involved in the different functions and governance structures in the system. It should also review the wider institutional arrangements so that the strengths and weaknesses of existing organisations are known. Without this strategic review of industry engagement and institutional arrangements, it will be difficult to fully understand the roles and responsibilities that SSBs should be given and the structure and resourcing necessary for them to undertake that role.

SSBs are introduced to address a wide variety of issues where a greater contribution and commitment from industry is thought to be needed. SSBs can play a role in:

- ▶ Understanding the future skill needs of a sector and ensuring that learners can develop appropriate skills for the future
- ▶ Addressing a gap between what skills a sector is seeking and what is being delivered by TVET institutions
- ▶ Taking forward innovative skills solutions to address labour market changes, such as automation and globalisation
- ▶ Increasing the amount of employer investment in training and skills development
- ▶ Addressing youth unemployment and reducing the reliance on migrant labour
- ▶ Supporting and promoting government and industry skills initiatives
- ▶ Promoting skills development to employers and workers in a sector

In assessing these challenges, it is important to judge whether establishing SSBs would be the

most effective solution and whether other interventions may also be needed. It is unlikely that introducing SSBs will address a specific problem on its own and they may need to be considered as part of a range of policy interventions, such as reforming a qualifications framework; placing greater emphasis on workbased learning through apprenticeships and internships; investing in teacher training or investing in TVET institutions. As section 1.4 highlights, SSBs are often well placed to lead on many of these policy interventions, so the range of policy interventions should be considered holistically. However, there is also a risk that unrealistic expectations are placed on SSBs and that their performance is open to criticism when they fail to meet unrealistic goals.

Holding consultation events with key stakeholders is a good way to gather consensus on the current needs of the labour market and the challenges they may have with the TVET system. Securing agreement on these issues, helps policy makers and stakeholders to identify the potential role and structure of the SSBs as well as to identify other policy interventions that need to be implemented alongside the SSBs. This consultative approach is also important to raise awareness about the potential role of the SSB and to secure the commitment and support from key public and private stakeholders (see section two).

▶ 1.2 In what sectors should Sector Skills Bodies be established?

1.2.1 Defining sectors

Different countries have adopted different approaches to both defining sectors and deciding which sectors will be the responsibility of which SSB. As such, the coverage of SSBs varies enormously with some SSBs having a narrow coverage and others much more expansive.

Many countries have identified sectors using common statistical codes, such as ISIC definitions.¹ This can ensure a comprehensive coverage and can help guide a country to decide to what extent they wish to aggregate sectors e.g. do they define the sector as wholesale and retail, or do they split the sectors into retail and logistics?

¹ International Standard Industrial Classification of All Economic Activities (ISIC) are international agreed classifications of industry (<https://unstats.un.org/unsd/classifications/Econ/ISIC.cshhtml>)

Using statistical codes to help define sectoral boundaries also facilitates the use of sector specific labour market information and statistics in sector research and analysis. Key considerations when determining the definition and scope of SSB coverage include:

- ▶ **Size of the sector in employment terms:** If a priority is to address unemployment or youth employment, the choice of sector may be based on its employment potential
- ▶ **Sectors with export or growth potential:** certain sectors may be identified as having

significant growth potential which will require additional skills to meet employment opportunities

- ▶ **Government priorities:** which sectors are part of a government's industrial strategy such as renewable energy
- ▶ **Sectors with identified skill shortages or gaps:** which sectors have identified needs for more skilled entrants or require upskilling of the current workforce.

1.2.2 Sectoral coverage of Sector Skills Bodies SSB

Some countries have tried to ensure that most if not all sectors are covered by an SSB, but this can be too ambitious and has the potential to generate resource and coordination challenges.

Some countries with well established SSBs, such as South Africa, have tended to cluster sectors and to have one SSB responsible for multiple sectors. The challenge is for the sector to be large enough to have critical mass and maintain a discrete identity alongside other sectors under the SSB, whilst at the same time not being too large to dilute the identity and cohesion of the SSB as a whole. This also brings the challenge of resourcing to ensure that resources are not being spread too thinly to cover many sectors within an expanded SSB coverage. There is no fixed solution to this challenge and is reflected in the fact that SSB coverage and the number of SSB operating has changed in many countries over time. (see Box 1: Changing sector coverage in South Africa).

Given the need to test out the concept and to maximise resources, there is currently a trend to focus on a smaller number of priority sectors, such as in Chile, Cambodia, Ghana, Ethiopia, Indonesia and Vietnam, or to opt for a smaller number of broader sectors such as in Brazil and New Zealand. This enables stakeholders to trial the new arrangement in priority sectors and to test the level of industry engagement, especially in countries where the tradition of employer engagement is weak.

In Brazil, there are five training authorities which incorporate SSBs. Two of these are in traditional sectors (SENAC which covers commerce and SENAT which covers transport). Two of the bodies support specific types of employers: (SENAR covers rural businesses and SEBRAE covers small enterprises). SENAI, the largest authority focuses on apprenticeships and work-based training across a wider range of sectors.

In New Zealand, the focus is on clustering sectors to make the number of SSBs more manageable. As part of their reform programme and the transfer of Industry Training Organisations to Workforce Development Councils, New Zealand will have reduced the number of sectors to six:

- ▶ Manufacturing, Engineering and Logistics
- ▶ Construction and Infrastructure
- ▶ Creative, Cultural, Recreation and Technology
- ▶ Health, Community and Social Services
- ▶ Service Industries
- ▶ Primary Industries



There are also examples of SSBs in a number of countries that do not directly cover traditional industrial sectors, but instead cover specific

issues including migrant labour as is the case in Jordan, or green jobs in India.

► Box 1: Changing sector coverage in South Africa

Prior to 2000, there were 33 SETAs in South Africa that covered various sectors in the country. In March 2000, the government reduced this to 23 SETAs, each with its own clearly defined sector and sub-sectors. Each of the sectors was made up of a variety of economic activities that were related and closely linked. All the SETAs were to be responsible for both the private and public employers within their own sector. In April 2011, the government announced a new SETA landscape and a draft framework for a new National Skills Development Strategy to be implemented between March 2011 and March 2016. This included actions to address “non-performing SETAs”, including

- Fifteen of the existing SETAs being recertified with minor changes.
- Six new SETAs being formed as a result of the amalgamation of existing SETAs or sub-sectors of existing SETAs.
- A reduction in the total number of SETAs from 23 to 21.

The SETAs cover the following sectors:

- | | |
|--|---|
| ► Agriculture | ► Health & Welfare |
| ► Education | ► Local Government |
| ► Banking | ► Manufacturing |
| ► Construction | ► Media, Information and Communication Technologies |
| ► Chemical Industries | ► Mining and Minerals |
| ► Culture, Art, Tourism, Hospitality and Sport | ► Public Services |
| ► Energy and Water | ► Safety and Security |
| ► Education, Training and Development Practices | ► Services |
| ► Fibre Processing & Manufacturing | ► Transport |
| ► Financial, Accounting, Management, Consulting and other Financial Services | ► Wholesale and Retail |

In contrast, in Australia, prior to 2015, there were 11 Industry Skills Councils (ISC) covering broad sectors of the Australian economy which themselves replaced 23 Industry Training Advisory Bodies in the late 1990s. These ISC have been replaced by 67 Industry Reference Committees which cover more specific sectors but which do not have the institutional support that existed with the ISCs and are instead supported by contracted service organisations.

These examples highlight the fact that it is clear that those countries with a history of sector skills bodies go through different stages of review and restructuring as they look to maximise the impact of these organisations

▶ 1.3 What should be the roles and responsibilities of the Sector Skills Bodies?

One of the key factors that determine the way the SSB operates is its terms of reference. These should be shaped by what the SSB is being set up to achieve and will be influenced by a number of factors such as:

- ▶ **Existing institutions:** the roles and responsibilities of existing organisations in the TVET system and whether the SSB is better placed to undertake the role;
- ▶ **Available resources:** the funding and resources available to support the range of activities earmarked for the SSB and the size of a secretariat required to take the day-to-day work forward;
- ▶ **Extent of employer commitment:** whether there is sufficient employer motivation to move forward the range of activities outlined.

In agreeing the terms of reference for the SSB a country has a number of options. They can have arrangements where:

- ▶ all SSBs the same terms of reference;
- ▶ all SSBs have a limited number of common terms of reference with each sector having flexibility to agree additional ones to reflect the needs of their sector;
- ▶ each SSB has different terms of reference to reflect the needs and institutional arrangements in their sector.

Whilst most countries have adopted the same terms of reference across each SSB, in Canada their SSBs, called HR Resource Development Councils, have different roles and responsibilities to reflect the needs of their sectors. An alternative approach is to initially give SSBs a narrow range of responsibilities and then expand them overtime once the SSB has created sufficient momentum in their sector. This enables the SSB to focus and helps them manage expectations with stakeholders. Regardless of the roles and responsibilities that an SSB may have, they must be agreed through a process of social dialogue and not simply imposed on sector stakeholders without

meaningful engagement and dialogue. Without this engagement, efforts to establish SSB will fail.

An overview of the roles and responsibilities of SSBs in a range of countries can be found at Annex A. This wide variety of potential roles and responsibilities are summarised below:

- ▶ providing policy advice and feedback
- ▶ generating and/or interpreting skills and labour market information
- ▶ developing and maintaining skill standards
- ▶ developing qualifications
- ▶ developing curriculum and learning resources
- ▶ developing apprenticeship pathways
- ▶ supporting quality assurance of training providers, courses and assessors
- ▶ promoting the benefits of training
- ▶ promoting careers information, advice and guidance
- ▶ contributing to training delivery and assessment
- ▶ supporting the professional development of teachers, trainers and assessors
- ▶ managing and promoting apprenticeships
- ▶ co-ordinating training in the sector
- ▶ managing government training initiatives and programmes
- ▶ administering levy funds
- ▶ managing assessment

The roles outlined above can be categorised into four broad functions:

- ▶ Advise
- ▶ Design
- ▶ Support
- ▶ Manage

► **Table 1: Possible SSB roles across four key functions**

Advise	Design	Support	Manage
Provide policy advice and feedback	Develop and maintain skill standards	Support quality assurance of training providers, courses and assessors	Manage and promote apprenticeships
Generate and/or interpret labour market intelligence	Develop qualifications	Promote the benefits of training	Co-ordinate training in the sector
	Develop curriculum and learning resources	Promote careers information, advice and guidance	Manage government training initiatives and programs
	Develop apprenticeship pathways	Contribute to training delivery and assessment	Administer levy funds
		Support the professional development of teachers, trainers and assessors	Manage assessment and certification

These functions can be seen to be a progression from advising to managing and are largely determined by the level of SSB autonomy, influence and resources that allow them to shape and drive the TVET system. Table 1 categories the potential roles of the SSB across these four broad functions.

As we will see in section 5.2, to a large extent the remit of the SSB will dictate its governance arrangements and funding arrangements. At the

same time, its remit will be driven by governance considerations and available funding. In other words, there is a balance that must be struck that accounts for role, structure and funding. What follows is a discussion of the different roles and responsibilities that an SSB can undertake. They are presented here as a series of options that need to be combined in the way that best suits the needs of the skill system and the sector in question.

1.3.1 Provide policy advice and feedback

At its simplest, governments can use SSBs to come together periodically to advise the government, quality assurance agency and/or TVET institutions on their views of how well the TVET system is working for their sector and their thoughts about how the system can be improved.

If this is the sole role of the SSB it is likely to be structured as a committee (see section 1.5.2). This can be a formal group with a permanent membership and chairperson, or an ad hoc group where membership varies.

Countries such as Mozambique, Jamaica and Barbados have adopted this approach. Sector Skills Councils have been established in 13 sectors in Hungary as a means for sectors to articulate their skills and labour market needs and what they need from the TVET system. As a result, new qualifications and skill standards have been developed.

In Brazil, Chile, Colombia and Mexico, this role is combined with occupational standards development. It provides a relatively cost effective means of gaining industry views, but it doesn't necessarily generate any industry involvement, ownership or leadership in taking forward solutions. In being ad hoc involvement, it also does not create ongoing expertise in the sector and awareness of the particular challenges and issues involved in TVET and skills development.

Such a role is transactional and will not deliver the more transformative agenda that SSB can potentially deliver. To do so, SSBs must be invested with other roles and responsibilities and a permanent membership that can develop the capacity for industry leadership on skills issues in the sector.

► Industry Lead Bodies (ILB) in Antigua and Barbuda

- The sector-based approach in Antigua and Barbuda provides an example of where attempts were made to involve employers in the development of standards, as well as the delivery of skills, in a small island economy. The mechanism involved the setting up of a number of ILBs in the priority sectors of cosmetology, building and construction and engineering. Each of these ILBs operated under the Antigua and Barbuda National Training Agency (ABNTA). Their functions included:
 - facilitating strategic planning and developments within their sector;
 - facilitating the proposal of education and training standards and qualifications;
 - in conjunction with the National Statistics Office, monitoring the changing demands for skills; and
 - identifying what future occupational competencies and skills will be required to support anticipated changes in the sector.

ILBs typically meet formally four times a year and at times when there was a need to perform a specific task related to their sector.

Source: Powell, M (2016).

1.3.2 Generate and/or interpret skills and labour market information

SSBs commonly have a role in producing and/or interpreting skills and labour market data for their sectors. The extent to which they do this is largely determined by the availability of labour market information, the industry networks accessible to the SSB can access and the resources at their disposal. If national data are available and can be aggregated sectorally, such as the findings of a national skills survey or the Labour Force Survey, the SSB may have a role in interpreting and contextualising the data in order to identify skills and labour market priorities for their sectors. They may also add primary data to this through enterprise surveys or focus group discussions organised by members of the SSB. In the initial stages of the SSB's operation, this often results in a sector skills action plan that sets out the skills and labour market priorities for the sector.

In some instances, SSBs have a formal role in publishing primary data about skills development in their sector. In South Africa, the Sector Education and Training Authorities (SETAs) are expected to collate and publish data from the training submissions made by employers in their sector who wish to receive funding against their levy contributions. In India, the Sector Skills Councils (SSCs) monitor data from job postings in their sector collected online from a cross-sector portal established by the National Skills Development Corporation.

In countries such as Bangladesh, SSBs are aligned with employer associations and so are able to produce primary research by consulting the members of those associations.

SSBs may also produce ad hoc research focusing on key issues. For example, producing reports that examining topics such as specific labour and skill shortages; the impact of migration; the impact of new developments in a region or city or the impact of new technology and automation in their sector. This is a focus for HR Development Councils in Canada and was a similar focus for the former Sector Skill Councils in the UK.

Those SSBs that have a remit for research are typically those with their own secretariat and operate as separate organisations, or which have access to resources to contract research organisations to undertake the work. Producing skills and labour market information is not only an effective way for the SSB to engage with employers and partners, but it also provides them with an evidence base in which to engage TVET institutions and policy makers. Producing skills intelligence for their sector also gives SSBs a platform to advocate and promote the needs of the sector, and in doing so, demonstrate their value to their sector as a whole.

► Sector Skills Committees in Ethiopia

The 2019 National Plan for Job Creation 2020-2025 called for the establishment of Sector Skills Committees (SSCs) in the major sectors of economic activity. The first SSC were established and the in the textile & garment and agro-processing sectors with the support of the Federal TVET Agency. As a major initial activity, the sector skills committees have undertaken sector studies to identify the skills needs of the industry and allow the member to exchange and share their views and experience on skills development issues.

The SSCs conducted the sector analysis with assistance from the ILO which deployed the STED methodology involving a mix of qualitative and quantitative methods to review the trends and needs of the sector and develop recommendations for sector stakeholders and government.

The sector reports have been submitted to the Federal TVET Agency who will work with the SSCs to address the issues raised.

Source: ILO (2020d)

1.3.3 Develop and maintain skill standards

Another common SSB role is their remit to develop skill standards for functional areas or occupations in their sector. In the development stage or during the initial operations of the SSB, the SSB will identify the main occupations in their sector and as part of this produce a career map in order to show the possible career progression into and within their sector. Often the development of an occupation and career map is part of a sector skills action plan (see section 3.2.1).

Typically, the SSBs produce skill or competency-based standards that outline the skills and underpinning knowledge required to undertake specific roles. SSBs, such as those in Australia and more recently in the Gambia, will have a role to produce the standards and refresh them on a periodic basis to ensure they reflect current practices and skill needs. They are then typically validated by a quality assurance body. These standards are used to inform the development of training programmes and qualifications to ensure they reflect the skills and knowledge required by industry.

The growing number of available occupational standards internationally means that countries are able to adapt existing standards from other countries in order to meet their own criteria; as in the case of an SSB in Jordan adapting the textile standards from Tunisia and an Agro-Processing

SSB in the Gambia adapting a food processing standard from India. As of 2019, collectively the ISCs in Bangladesh had developed approximately 325 individual skill standards across 80 occupations. Standards have been developed for priority occupations in each sector and have formed the basis of a new suite of qualifications linked to the Bangladesh National Technical & Vocational Qualifications Framework.

Developing occupational or competency standards is seen as a key component in the creation of an outcomes based TVET system. Often SSBs are established to replace ad hoc standards development reviews that are undertaken centrally and typically bring together committees of employers and other key stakeholders to develop skills standards. The advantage of the SSB taking on the role is that it is more likely to ensure a full sector coverage of standards, that the standards are refreshed more often and that the sector takes ownership of the standards that apply in their sector. It is also more likely to result in the skill standards being used in the development of sector-specific qualifications or used in the sector to establish professional membership or a license to practice. Having SSB take ownership of 'their' standards also increases the likelihood that they will be used for wider HR purposes, such as in recruitment or the development of job profiles in enterprises.



Depending on the governance arrangements, those SSBs with standalone secretariats with the expertise to develop skill standards such as in Bangladesh will develop their own skills standards, which are then approved by the quality assurance authority. Those without their own secretariat, will come together with experts from the quality assurance agency who will bring the technical skills to undertake the process.

SSBs may also be responsible for developing training or assessment standards on which qualifications are based, either in addition to skill standards or instead of them – but this will depend on the curriculum and qualifications

framework of the country and the role of different educational standards within them.

Regardless, skills standards are developed through consultation with industry experts and provide a means to engage employers and industry partners to ensure that the content of training programmes reflect the skill needs of the sector. This may be through sub-groups and technical working groups that are established for specific sub-sectors or functional areas or through more ad-hoc methods. More information on the development of skill standards can be found in the ILO guide on competency based training (ILO 2020).

► Sector Skills Councils (SSC) in Jordan

The SSCs in Jordan have been gradually established in priority sectors since 2017, including Tourism & Hospitality, IT, Chemical Industries, Agriculture and Water. The SSC have been given responsibility for developing and reviewing occupational standards which outline the competences required to undertake specific job roles and are used by TVET institutions when developing courses to ensure that they reflect industry needs.

Standards are developed by the SSCs in partnership with the Technical and Vocational Skills Development Commission (TVSDC) which is the national regulatory and quality assurance body for TVET curriculum and qualifications in Jordan. TVSDC provides technical support and partners with the SSC to draft, revise and finally endorse the standards on behalf of the industry sector they represent. Over time it is envisaged that the SSC will become custodians of the occupational standards and will manage the competency framework for their sectors.

Source: ILO (2020)

1.3.4 Develop qualifications

In addition to standards development, a number of SSBs will develop qualifications that can be delivered by approved TVET providers, including TVET institutions and sometimes employers.

The advantage of this approach is that the SSB is able to ensure the content and assessment reflects skill standards and gives them more ownership over the delivery of training. As the development of the qualification is often undertaken in tandem with the development of the skills standard, it can reduce the development-time and maximise employer input. In India, the SSBs are directly responsible for developing training standards that are then delivered by TVET institutions.

In countries where awarding bodies operate, the SSB would typically not develop qualifications, although in some cases, SSBs have their own awarding body to develop qualifications in their sectors. This can raise issues around conflict of interest if they are competing with other awarding bodies. Some SSBs also approve qualifications and training that are submitted by awarding organisations, employers and TVET institutions. This is the case in South Africa where employers submit their training plans for approval by their SETAs to obtain levy relief.

In New Zealand, ongoing TVET reforms are replacing Industry Training Councils (ITC) with a smaller number of Workforce Development

Councils. The reforms are partly designed to give the new Workforce Development Councils more control of what is being delivered by combining standards development with the development of qualifications. This is in response to concerns that ITC approval can be too narrow and not take into account broader skills and experience that stretches the learner and better prepares them for future careers. These concerns are not unique to New Zealand, and India has attempted to address them by making their Sector Skills Councils only responsible for short-term training which lasts six months or less. This attempts to focus them on the essential skills for employment, rather than broader, longer-term programmes.

As with standards development, those SSBs which have a role for qualifications development typically operate as a standalone organisation with their own secretariat. Regardless of their structure, if SSBs are given the role to develop qualifications, they should involve educationalists operating in their sector so that expertise on education and training is included in the process of development and that the qualifications provide appropriate entry and exit points, are structured appropriately for the level of qualification on offer and give appropriate attention to both practical skills underpinning knowledge.

► Sector Councils in the Czech Republic

Sector Councils use the labour market information to identify occupational and skill needs. They then develop qualification structures and assessment to respond to these gaps.

The first Sector Council was set up in 2005 (Forestry), as a first initiative to address qualification needs for this particular sector. However, at that time, sector councils were rather informal initiatives inspired by practices from elsewhere in Europe. This changed after the National Register of Qualifications (NSK) and National System of Professions (NSP) project were launched. These two programmes brought a new impulse and help to formalize the structure and responsibilities of sector councils.

Most of Sector Councils' operations so far have been in design and amendments of vocational qualification standards (National Register of Qualifications - NSK) and National System of Professions (NSP). Experts nominated to Sector Councils monitor the labour market and identify developments, trends and changes in skill demand; exchange information on sectoral needs in workforce development; analyse skill needs in particular sectors and propose the structure of new qualifications; and define Assessment Standards of new qualifications.

For example, as of February 2021, the Sector Council for Electrical Engineering was responsible for 23 qualifications, which ranged from an independent electrical engineer quality controller to an airport security technician.

Source: CEDEFOP (2020)

1.3.5 Develop curriculum and learning resources

Another way in which SSBs can help ensure that the delivery of qualifications and courses reflect industry needs is to develop curriculum and learning resources. These vary in form, from teacher guidance to textbooks for learners. Increasingly, online resources have been developed, which are made available to providers and students. Again, these can be extensive resources, or alternatively targeted case studies and information that support specific modules.

The SSB can be well positioned to produce these resources given their varied engagement and knowledge of the sector. It can also provide a revenue stream to the SSB. However, in countries where there are a multiplicity of suppliers of curriculum and learning resources, it might be seen as deflecting the SSB away from other activities, especially if resources are scarce. In all cases, SSBs will require grants or some form of investment to undertake this role.

▶ Industry Skills and Training Councils in Singapore

Industry Skills and Training Councils (ISTCs) drive the development and validation of skills standards, assessment strategies and training curriculum for the industry sector they represent.

They do this by maintaining a close working relationship with the curriculum development divisions of the polytechnics and technical colleges and influence the design of nationally recognised competency-based qualifications which are registered in the Workforce Skill Qualification (WSQ) system.

The ISTCs serve as a forum in which employers within a defined economic sector can collaborate in influencing the shape of the TVET system by advising and continually updating technical colleges and polytechnics on the curriculum content and workplace relevance of training programmes they offer.

Source: Powell, M (2016).

1.3.6 Develop apprenticeship pathways

In general terms, apprenticeships are programs that involve substantial periods of work based learning to develop the skills and competencies of novices entering a particular occupation. They are typically complemented by off-job learning in a classroom setting in order to develop essential knowledge and understanding. Whilst the terms used for these programs and the legal frameworks within which they operate vary significantly around the world, they are usually introduced through a process of social dialogue with employers and workers.

SSBs are often involved in the development of apprenticeship pathways as it is often naturally complementary to its role to develop skill standards and qualifications.

The extent to which SSBs take on this role is typically determined by the nature and scope of apprenticeships in a particular country.

As more countries seek to increase apprenticeship numbers and in some countries to formalise

traditional informal apprenticeships, SSBs have taken on the role of:

- ▶ Advocating apprenticeships is a means to address skill shortages;
- ▶ Specifying the learning and performance outcomes to be achieved through the apprenticeship;
- ▶ Outlining the structure of the apprenticeships, including hours worked;
- ▶ Outlining (and sometimes managing) the assessment of apprentices;

Promoting apprenticeships to young people and employers.

SSBs are ideally placed to undertake this role given their links with employers and their responsibility to encourage greater employer involvement in TVET.

► Sector Skills Councils in The Gambia

Sector Skills Bodies (SSBs) were established in The Gambia following adoption of the 2019 Technical and Vocational Education and Training (TVET) Roadmap for 2020-2024. Since the launch of the new policy, SSC pilots were established in the ICT, agro-processing and construction sectors to develop a platform for employers to express their needs and lead initiatives that address skill issues in their sectors.

Since their inception, the SSBs have worked with the quality assurance agency to formalise apprenticeships and encourage more structured workbased training.

In particular, the Construction SSB has worked with their sector, which has a long tradition of informal apprenticeships, to develop an apprenticeship framework that reflects the occupational standards developed by the SSB. The apprenticeship framework is structured into three six-month modules, which are independently assessed. The SSB has worked with construction employers to recruit the apprentices and support the development of master crafts persons.

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Source: International Trade Centre (2019)

1.3.7 Support quality assurance of training providers, courses and assessors

Internationally, SSBs have taken responsibility for a range of quality assurance roles in TVET and skills development as it gives confidence to employers, prospective learners and government that learning provision reflects labour market needs. Such roles are given to industry so they have more control and ownership over the delivery of TVET, rather than just its design.

In India and Bangladesh, the SSBs are involved in quality assurance of the qualifications they have developed through their involvement in the assessment process, either as a partner in assessment decisions (Bangladesh) or by directly managing the assessment process and empanelling assessment organisations (India). In both cases, the SSBs have visibility over the outcomes of training and can ensure that the standards set by their qualifications are being achieved. In the case of India, this also provides an important income stream for the SSB. In Vietnam, the Agriculture NSSC is identifying a network of approved assessors, based on a criteria developed by the NSSC to strengthen the quality of RPL across the sector.

In other countries such as Jordan and South Africa, the SSB will quality assure training

programmes submitted by employers and/or education and training institutions. The SSB will generally assess the training programmes against the skills standards that have been developed to ensure that the training programmes are robust and reflect the relevant content of those standards. In the United Kingdom, the former Sector Skills Councils were initially tasked with approving qualifications developed by awarding organisations. These were assessed based on their relevance to the occupational standards, market need and whether they were adding value to the existing qualifications available for that career pathway.

As well as approving training programmes and qualifications, in some cases, SSBs also contribute to the quality assurance arrangements of those delivering the programmes. In Canada, some Human Resource Development Councils accredit and quality assure TVET institutions. In Australia, at one stage in their evolution, SSBs had the responsibility to review the accreditation submissions of training providers to ascertain whether the teachers and trainers they had on staff had the necessary skills and experience to deliver

programs in that sector. In Ghana, where SSBs are being established, a number have sought to assume this role by including it in their sector skills action plans.

In the case of each of these examples, the role of SSBs in the overall quality assurance system needs to be discussed and agreed upon with other stakeholders and institutions in the system. Most countries have some regulatory or oversight

body responsible for quality assurance and the place of SSBs in that overall system must be negotiated on the basis of social dialogue.

Adopting a quality assurance role is more likely to be undertaken by an SSB which has been established as a separate organisation with a dedicated secretariat, as it requires time and a specific skill-set to undertake this role.

► Sector Skills Councils in Bangladesh

Sector Skills Bodies (SSBs) have been progressively established in Bangladesh since 2010 following adoption of the National Skills Development Policy in that year. SSC were initially established in five sectors: agro-food processing, transport equipment, leather and leather goods, hospitality and tourism, and information technology. SSC operate under different arrangements, with many utilising offices and secretariat support provided by the National Skills Development Authority (NSDA).

The SSC have been working closely with the Bangladesh Technical Education Board (BTEB), which is the national regulatory and quality assurance body for TVET curriculum and qualifications. BTEB and the SSC have progressively worked to develop new programs that lead to qualifications under the National Technical and Vocational Qualifications Framework (NTVQF). One of the requirements of the new NTVQF courses is that the final assessment involves assessors from industry, and the SSC are responsible for identifying and approving assessors to participate in BTEB approved assessments. This gives the SSCs the ability to ensure that assessments involve those who possess sufficient industry skills and experience to safeguard industry standards.

Source: ILO & World Bank (2017)

1.3.8 Promote the benefits of training

SSBs can have a role to promote the benefits of training and they can do this in a number of ways:

- Provide bespoke advice and support to employers to find the best skills development solutions to meet their needs;
- Produce research and evidence that can demonstrate the benefits of training using case studies from existing businesses in the sector;
- Promote apprenticeships and partnerships between enterprises and education and training institutions;

- Make the case for greater investment in staff development as a way to address skill gaps, increase staff retention, increase productivity and reduce accidents in enterprises;

- Promote social dialogue on skills development to ensure skills issues form part of enterprise and sector bargaining.

Many SSBs take forward these roles, such as those in Bangladesh, Canada, India and New Zealand. In order to have good engagement with the sector and knowledge of the relevant programmes, SSB require some capacity and thus typically operates as a standalone organisation or part of an industry body with its own secretariat, not as an ad hoc committee.



▶ Human Resource Development Councils in Canada

In Canada, the Sectoral Initiatives Programme (SIP) has enabled some Human Resource Development Councils to strengthen the way training is understood and used in their sectors.

One of the Human Resource Development Councils in Canada is Tourism HR Canada, a pan-Canadian organization with a mandate aimed at building a world-leading tourism workforce. Tourism HR Canada facilitates, coordinates and enables human resource development activities which support a globally competitive and sustainable industry and foster the development of a dynamic and resilient workforce.

In the tourism sector, the SSB developed the *emerit* Tourism Training and Certification Project which introduced a comprehensive occupation-specific training for tourism jobs promoting training in the sector. It integrated a formal quality assured education/training framework for specific occupation and enabled the validation of competencies acquired from training and experience to provide employers with a way to easily identify a job seeker's skill set. At the end of 2019, 27 high demand occupations had been certificated and there were over 12,000 *emerit*-certified professionals working in Canada.

Source: Emerit (2021)

1.3.9 Promote careers information, advice and guidance

Effective careers information, advice and guidance is critical to ensure young people, teachers, parents and guardians can understand the career opportunities available in a sector and the most suitable education and training pathways to develop the skills and knowledge required.

Given its work with tripartite organisations and TVET institutions, the SSB is often well positioned to take a lead or play an important role in developing and promoting careers information, advice and guidance (IAG) in their sectors.

The extent to which they do this depends on available resources and the extent to which there is an existing careers IAG infrastructure operating across all sectors.

Among the activities that the SSBs can take forward are:

- ▶ **Developing clear and robust careers pathways that show the suitable career routes into and within the sector and the relevant education and training available to support programme;**

- ▶ **Hosting and promoting sector job boards that allow businesses to advertise job vacancies and promote them to job seekers. In some instances, the SSB will assist businesses to select appropriate candidates through selection centres;**
- ▶ **Engagement with TVET institutions to increase their links with business, promote internships and industrial placement opportunities;**
- ▶ **Attend careers fairs to promote employment and training opportunities in the sector, including apprenticeships and traineeships where they exist.**

The SSB can promote careers by providing information and industry statistics to TVET institutions and career advisers through website content that includes career pathways, case studies of people who have entered the sector and highlights key businesses as well as hosting job boards.

► Human Resource Development Committees in Botswana

In Botswana, Human Resource Development Committees (HRDCs) operate under the Human Resource Development Council (HRDC). These committees are chaired by key employers in the sector and also include representatives from employees, stakeholders and those in the informal sector. Together the different Sector Committees help to identify skill priorities for their sector and also sign off on the development of any sector plans.

These sector plans contain information about skill shortages and occupations where demand for workers is expected to be highest. The sector specific information is reflected in the career information available through the Botswana Labour Market Observatory. Sector specific career information packs have also been developed by the HRDCs to promote learning and employment pathways in their sectors.

Source: Powell, M (2016).

1.3.10 Contribute to training delivery and assessment

In some countries, SSB have taken on the role of directly delivering training and assessment services. They can also act as a broker, identifying a training need and in response, designing and delivering training to meet that need. In some countries, such as Brazil and Mexico, most training is delivered through TVET institutions linked to the SSB.

In other instances, as in Canada, due to the potential for a conflict of interest, the SSB may only deliver training if the training is niche, is limited to specific geographic locations or sub-sectors or is required very quickly. The training required may be in response to new legislation, a major

sporting or conference event taking place in the country, new investment in a specific location or in response to a pandemic. In all these cases, there are examples of how SSBs have been directly engaged to develop and deliver training for specific target groups.

In the United Kingdom, a network of Skills Academies were established to increase the quality of training delivery. These were typically established and overseen by the Sector Skills Councils. How these operated varied by sector, with some creating centres of excellence in existing TVET institutions, whereas others developed new training centres.

► National Service for Industrial Training (SENAI) in Brazil

Created in 1942 at the initiative of employers in the manufacturing sector, Serviço Nacional de Aprendizagem Industrial (SENAI), is the largest institution of professional and technological education in Latin America, providing training to more than 2 million Brazilian workers each year. It is a network of not-for-profit secondary level professional schools established and maintained by the Brazilian Confederation of Industry. SENAI is one of the most important institutions in the country providing formal training for specialized workers for the broadly defined industrial sector, in the areas of chemistry, mechanics, construction, etc. It supports companies in 28 industrial sub-sectors. Its mission is to promote vocational and technological education, innovation and transfer of industrial technologies, helping to raise the competitiveness of Brazilian industry. SENAI has 744 operational units which offer more than 1,800 courses.

SENAI, and its partner organisations in the services and agriculture sectors (SENAC, SENAR) are different to many international examples of sector skills bodies, having been established by industry and employers rather than through the initiative of government.

Source: UNESCO (2020)

1.3.11 Support professional development of teachers, training and assessors

SSBs have taken responsibility for supporting the professional development of teachers, training and assessors. This has taken a variety of forms:

- ▶ Arranging periodic work experience to ensure teachers skills remain relevant and continue to reflect what happens in the workplace;
- ▶ Arranging recognition of prior learning assessments and providing additional training to address specific gaps;
- ▶ Undertaking training and development opportunities for teachers and trainers around specific skill areas or new trends;
- ▶ Facilitating links with international partners and arranging study visits;
- ▶ Approving or endorsing trainers, teachers or assessors that have demonstrated a range of skills or experience.

These types of activities increase the quality and relevance of TVET delivery, but also can increase the engagement of teachers, trainers and assessors with employers and other sector stakeholders. In this case, as with other potential roles, the SSBs play an important intermediary role between industry and the education and training system

▶ Sector Skills Councils in Ghana

The Council for Vocational Education and Training (COTVET) in Ghana has taken steps to establish a network of Sector Skills Bodies in priority sectors.

In 2019, an initial group of SSBs were established in the construction, agriculture, hospitality and tourism sectors and were supported to develop a sector skills strategy for their sectors.

As part of that strategy, the Tourism and Hospitality SSB has outlined a plan to provide periodic industrial experience for teachers at TVET institutions and higher education institutions. This was in response to concerns that some teachers were teaching out of date practices.

The SSB is establishing a register of businesses that are willing to host teachers and trainers in their establishments and will work with COTVET to match teachers and trainers for short placements and supplementary on-the-job training. The SSB also has plans to develop a register of industry endorsed assessors in the sector to ensure that assessment decisions meet industry standards.

Source: ILO (2019)

1.3.12 Manage and promote apprenticeships

In addition to the development of apprenticeship pathways, through their work on standards and qualifications, SSBs have also played an important role in supporting the adoption of apprenticeships in their sectors by promoting their take-up and providing technical and administrative support to employers. Their roles have included:

- ▶ Designing and/or managing the assessment of apprentices;
- ▶ Certifying the apprentices on the successful completion of their apprenticeship;
- ▶ Encouraging the take up of apprenticeships by promoting the business case to employers;
- ▶ Promoting the sector and apprenticeship opportunities to young people;
- ▶ Acting as a broker between the potential apprentice and the employer;
- ▶ Contributing to the development of policy and legislation that defines the apprenticeship system;
- ▶ Identifying apprenticeship pathways and programmes in their sector;

- ▶ **Conducting research on the return on investment to employers from apprenticeship schemes.**

In New Zealand, many of the current Industry Training Councils promote apprenticeships to young people considering careers to their sectors. They offer advice and guidance as well as act as brokers for financial incentives offered government to employers.

Using similar approaches, SSBs have also been involved in promoting and brokering internships with employers as a means for students on full-time learning programmes to gain an opportunity to develop workplace competence.

This role of designing and promoting apprenticeships is typically adopted by those SSBs which operate as a standalone organisation or part of an industry body with its own secretariat, not as an ad hoc committee.

▶ Industry Training Organisations in New Zealand

In New Zealand, many of the current Industry Training Councils promote apprenticeships to young people considering careers to their sectors. They offer advice and guidance as well as act as brokers for financial incentives offered government to employers.

In the agriculture and horticulture sectors for example, Primary ITO works with both the employer and apprentice to map out a training pathway that meets the needs of the business and enables apprentices to achieve their goals. Staff of the Primary RTO understand the industries and their challenges, and visit the apprentices and employers regularly throughout the year to review progress, update the apprentice's personalised training plan and set goals to help the apprentice achieve their qualification.

The Primary RTO also organizes programmes to assess literacy and numeracy of apprentices to establish whether extra help is needed.

Source: Primary ITO (2021)

1.3.13 Co-ordinate training in the sector

SSBs can work with tripartite partners to co-ordinate training and development in their sector. How this is achieved varies. It could include:

- ▶ **Signposting available training opportunities and commissioning training to fill gaps in provision;**
- ▶ **Arranging training in areas where there are critical skill shortages and gaps;**
- ▶ **Gaining consensus to raise levels of investment around training in general or around specific skill areas, such as health and safety or customer service.**

These types of activities are typically achieved by those SSBs that have strong engagement with sector businesses and industry associations. SSBs may have oversight of levy funds to invest in training or are working with a sector

to introduce a voluntary license to practice to increase the professionalism and quality around specific occupational areas, such as those in construction.

In Denmark, the Professional Committees are responsible for the establishment, re-organisation and closure of TVET providers. As part of this role they have a broad remit which includes the:

- ▶ **Approval of internships;**
- ▶ **Approval of special provisions in training agreements;**
- ▶ **Shortening or extension of TVET programmes;**
- ▶ **Appeals against school decisions about students' admission or termination of school internships.**

► Sector Skills Councils in the United Kingdom

Sector Skills Councils (SSC) were requested by the UK government to establish a sector specific Skills Academies which brought together the various training organisations operating in their sectors. They were established to increase the quality of training delivery and to develop a common standard and orientation to training in the sector. How these operated varied by sector, with some creating centres of excellence in TVET institutions, whereas others developed new training centres.

For example, the National Retail Skills Academy, identified, supported and accredited training centres in shopping malls across the country. These provided hubs to provide entry level training to new entrants into the retail sector. All centres operated under the same branding and used the same training programmes, which was developed by the Retail Skills Academy. The national network of retail skills shops in shopping and town centres across the country aim to improve retail skills through a network of retail skills shops. Retail employers, employees, and prospective employees can walk into, or contact the retail skills shops to access advice, training and support.

The National Skills Academy for Retail also provide pre-employment training and licence to trade courses for newcomers to retail and a range of management and leadership programmes.

Whilst core funding of SSC from government in the UK ceased in 2017, a number of Skills Academies still operate in the UK, including in the retail sector.

Source: National Retail Skills Academy (2020)

1.3.14 Manage government training initiatives and programmes

SSBs can play an important role in interpreting and implementing government initiatives and programmes in their sector. The purpose and nature of the programmes will vary depending on what they are aiming to achieve, but the SSBs will be responsible for gaining the commitment of their sectors and finding ways to implement the programmes and initiatives that meet their objectives and take into account the context of their sectors.

In such cases, SSBs are effectively engaged as project managers on a fee-for-service basis, responsible for reaching agreed targets and deliverables linked to program outcomes. Initiatives and programmes could include:

- new apprenticeships in priority occupations or sectors;
- welfare to work programmes targeting a specific sector;
- new TVET programmes in schools;
- development of new competency based qualifications;
- the introduction of employer levy systems;
- careers initiatives;
- export preparedness training;
- development of a skills passport;
- introduction of new regulated occupations or license to practice.

► Industry Skills Councils in Australia

In Australia, eleven national tripartite Industry Skills Councils operated across all major economic sectors and played a significant strategic role in the Australian VET system for many years. In addition to traditional SSB roles related to industry intelligence, sector skill standards, qualifications and learning materials, the ISCs played an important role in supporting the rollout of key national VET initiatives.

One such program was the National Workforce Development Fund (NWDF), which operated from 2011 to 2016. The NWDF was created to help business identify and address their current and future workforce needs. Training had to lead to a nationally endorsed qualification or a training package skills set recognised by the Australian Qualifications Framework. In that case, the SSBs played a key role in administering the programme and helping business in their sector identify their training needs and find training organisations that could meet their needs.

Source: AUSTRADE (2020)

1.3.15 Administer levy funds

The SSB may be given a role to administer training funds. Public funds will come directly from government, but may also be linked to a levy on businesses that operates in the sector, whereby the SSB has a role to allocate the training funds for their sector.

The clearest example of this can be seen in South Africa where the 21 SETAs are funded through a one percent levy on employers with a payroll of more than R500,000 (US\$ 28,198). These funds are collected through the taxation system and are centrally held after which 80% of a sector's contribution is given to their respective SETA. A small percentage is retained for administration, but the rest is paid out in the form of mandatory and discretionary grants. Mandatory grants are paid to employers who present their training plans and are approved by the SETA. Discretionary grants go to training that largely benefits smaller, non-levy paying employers.

The system means that certain SETAs will receive a greater amount of funding if they have a higher proportion of larger businesses in their sector. Some employers see the levy as a tax and do not submit training plans in order to recoup the cost of the levy.

Similarly, in Kenya some sectors have SSBs that manage and distribute levy funds. However, there are also SSBs that are solely responsible for occupational standards development.

This function would typically be carried out by an SSB that functions as a standalone organisation with a significantly sized secretariat. More information on training levies and the role of SSBs and other industry bodies to administer them can be found in the ILO publication on training funds (ILO 2020).

► Sector Education and Training Authorities in South Africa

The clearest example of SSBs administering levy funds can be seen in South Africa where the 21 SETAs are funded through a one percent levy on employers with a payroll of more than R500,000 (US\$ 28,198). These funds are collected through the taxation system and are centrally held after which 80% of a sector's contribution is given to their respective SETA. A small percentage is retained for administration, but the rest is paid out in the form of mandatory and discretionary grants. Mandatory grants are paid to employers who present their training plans and are approved by the SETA. Discretionary grants go to training that largely benefits smaller, non-levy paying employers.

The system means that certain SETAs will receive a greater amount of funding if they have a higher proportion of larger businesses in their sector. Some employers see the levy as a tax and do not submit training plans in order to recoup the cost of the levy.

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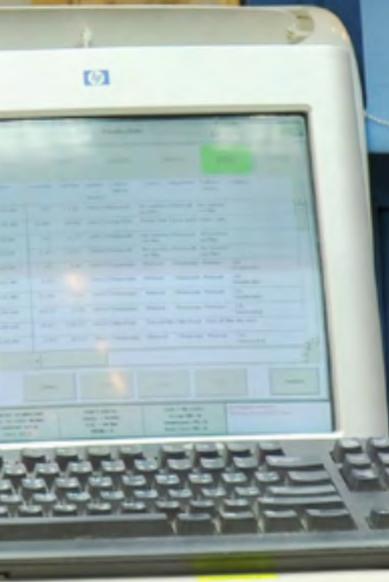
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1.3.16 Manage assessment

SSBs can also manage the assessment of qualifications and training programmes in their sector. Given the formal nature of this role, it is often a delegated authority given by the national quality assurance agency or similar body such as a qualifications board. Under such a delegated authority, the SSB could be responsible for managing the

assessment and certification process in their sector. Responsibilities could include:

- identifying and approving industry assessors;
- developing and implementing online assessments;



- ▶ organising practical and/or theoretical assessments;
- ▶ endorsing assessment organisations;
- ▶ issuing qualifications;
- ▶ overseeing or undertaking external verification of assessment and/or assessors.

In India, the SSCs play an important role in managing the assessment and certification of

short-term training of less than 6 months duration. They identify and approve assessors, but also ensure that opportunities for assessment are available through regular interaction with TVET providers. The SSCs then work with the assessment centres and training organisations to issue credentials to individuals on successful completion. These credentials are issued by the SSC under government delegation and can be verified electronically to ensure their authenticity.

▶ Sector Skills Councils in India

Pursuant to the 2015 National Policy on Skills Development and Entrepreneurship, Sector Skill Councils (SSC) have been established in India as autonomous, industry-led bodies by the National Skills Development Corporation (NSDC).

They develop the competency framework for their sectors, create occupational standards and qualifications, conduct train the trainer programs, conduct skill gap studies and assess and certify trainees against curriculum aligned to the National Occupational Standards developed by them. There are currently 38 Sector Skill Councils operational and there are over 600 Corporate Representatives in the Governing Councils of these SSCs.

SSCs in India are involved in quality assurance of the qualifications they have developed through their involvement in the assessment and certification process. They are responsible for developing the affiliation, accreditation, examination and certification norms for assessment bodies in their respective sectors. They directly manage the assessment process and empanel assessment organisations. Through these means the SSC have visibility over the outcomes of training and can ensure that the standards set by their qualifications are being achieved. This also provides an important income stream for SSCs in India.

Source: Aerospace & Aviation Sector Skill Council (2020)

▶ 1.4 What governance arrangements should be put in place for Sector Skills Bodies?

1.4.1 The autonomy of Sector Skills Bodies

A major factor determining the governance arrangement required for SSBs is whether they will be part of government or whether they will operate autonomously.

Generally, it is more likely that government will identify the need to establish SSBs, but without sufficient industry support they are unlikely to be successful. Equally, regardless of a sector's

commitment and drive, without government support and co-operation, an SSB is less likely to be able to influence the skill system. Consequently, considerable consultation and discussion with industry stakeholders should take place so there is broad agreement on the roles of the SSB and the degree of autonomy required to undertake them.

There are a number of factors that will influence whether the SSBs should be part of or autonomous of government:

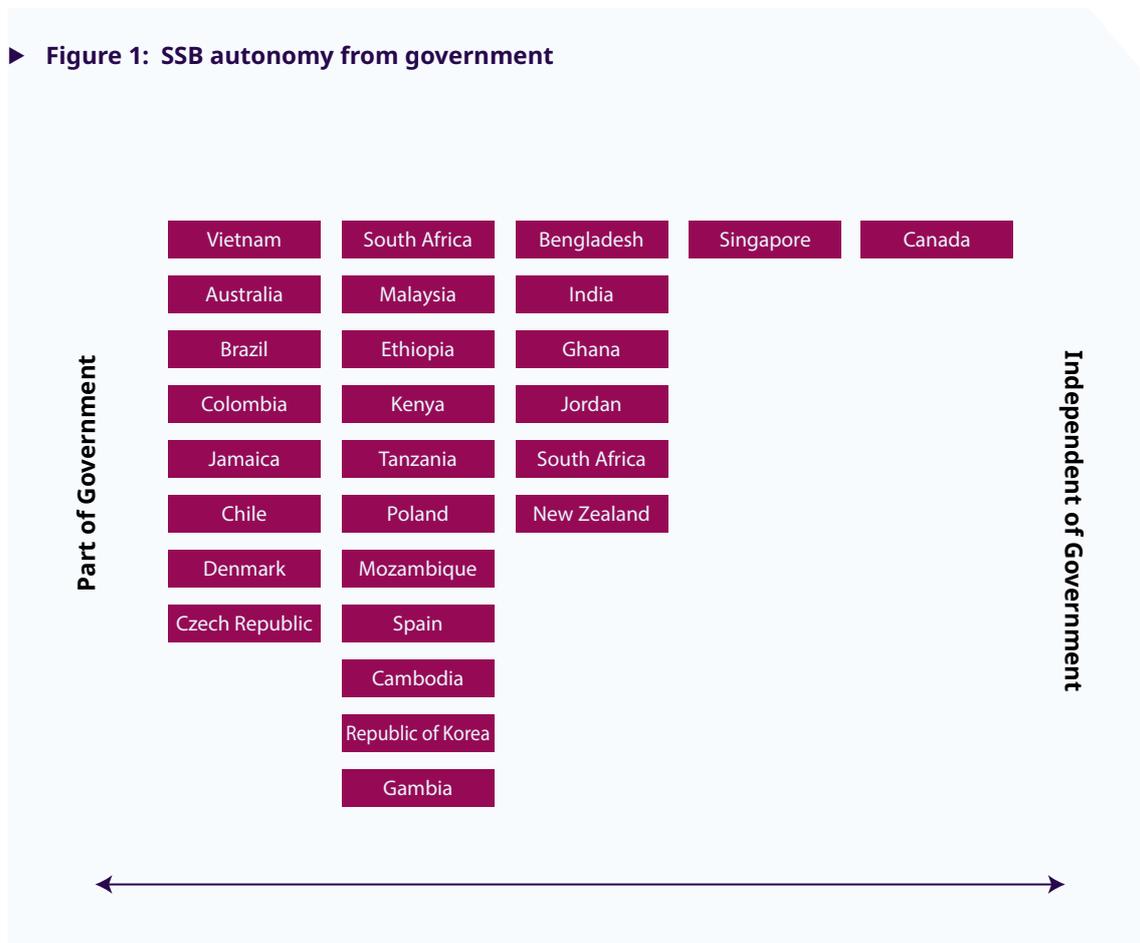
- ▶ the extent to which government wants to maintain control;
- ▶ whether adequate industry funding and resources are available to enable the SSB to operate without government support;
- ▶ the willingness of employers to drive forward the SSB agenda;
- ▶ whether the sector is sufficiently developed and large enough for an SSB to operate autonomously;
- ▶ the size and coherence of the sector and the extent to which it is made of small or large

businesses - some sectors may have competing industry bodies which makes it harder for an SSB to broadly represent the sector;

- ▶ the wider culture of the TVET system in which the SSBs are operating – if SSBs are not considered part of government it will be difficult to drive change;
- ▶ the structure of the SSB and whether it has an independent secretariat not provided by government that can take forward its day-to-day role.

Given these range of factors, some SSBs can be perceived as being closer to government than others. Figure 1 provides an illustration of the relative autonomy of SSBs in relation to government. The placement of different SSBs in this figure has

► **Figure 1: SSB autonomy from government**



been made on the basis of their funding model and the breadth of their remit.

Of the factors most likely to determine whether an SSB is close to government, the availability of resources in the sector is potentially the most important. If the sector cannot or is not prepared to financially support the SSB without government support, then it will naturally be closer to government who will have to provide resources in some form. Often funding is tied to the SSB producing specific outputs laid out by a government, or the secretariat is provided by government, which reduces its autonomy.

Even when an SSB operates more autonomously it generally operates under licence by

the government, or is formally endorsed as the official SSB for that sector, and its performance is monitored by a ministry or government body. In Bangladesh, Ghana, India, Jordan and Vietnam, the SSBs are autonomous bodies but are overseen by a government body and are in effect 'licensed' to fulfil certain roles as detailed in their TOR. This formal endorsement may or may not come with funding. In Canada, the Human Resource Development Councils have complete autonomy and have no formal role in the TVET system. However, they bid for funds from the government to undertake specific activities that are agreed with the government.

1.4.2 The structure of the Sector Skills Body

In considering the structure of the SSB, it is important to consider three elements: how secretariat services will be provided; the degree of autonomy and SSB will have and the breadth of coverage and membership.

The secretariat

Key to any decision about SSB structure is the issue of the secretariat. The secretariat supports members to take forward the day-to-day work of the SSB and may be part of an autonomous SSB itself, or be part of a centralised secretariat in government that support a number of different SSBs. Typical roles that are required in the secretariat include:

- **policy engagement:** to understand, interpret and influence TVET and sector-specific policy and to engage with policy makers;
- **stakeholder engagement:** to engagement tripartite partners and TVET institutions to understand their needs, involve them in the work of the SSB and provide potential solutions;
- **skills standards development:** to consult stakeholders to develop and refresh skill standards;
- **labour market information:** to produce and analyse primary and secondary research to better understand the skills and labour market needs of the sector.

Some of these can be combined and undertaken by more than one person. Certain functions can also be done centrally or outsourced which reduces the resources and expertise required in the SSB. The size of the secretariat will also vary depending on:

- the mandate of the SSB and its roles and responsibilities;
- the size of the SSB and the number of sub-sectors it is supporting;
- the size and geography of the country;
- available resources.

SSBs as separate organisations

If an SSB is set up as a separate organisation, it is usually as a registered charity or a not-for-profit organisation. The organisation will be made up of a secretariat overseen by a board and potentially separate sub-groups or committees focusing on key aspects of the work of the SSB or representing different sectors or geographic regions.

There are various advantages to establishing the SSBs as a separate organisation:

- it allows for faster progress to be made on sector priorities as the SSB has a dedicated secretariat;
- the SSB is more visible within their respective sector;

- those working in the SSB secretariat can become real specialists for their sectors, which increases engagement, builds confidence with tripartite partners and produces more meaningful outputs.

On the downside, this approach typically requires more funding and it can take time to build the expertise of the secretariat, particularly for the more technical roles including developing occupational standards or collecting and analysing labour market information. It also requires strong policy support from government and a clear indication that SSBs have a substantial role in the TVET and skill system.

SSB models in Bangladesh and those being established in Ethiopia and Jordan for example, are strongly aligned to a lead industry association and in those cases, the secretariat is more often than not provided by the industry association. This model works well in those sectors with one main industry association or alternatively if there is agreed collaboration across a number of different industry associations in a sector.

Depending on the broader structure that is being put in place, some countries have opted for activities such as labour market information or job boards to be created centrally and then each SSB makes use of these to reflect their own sectors. This approach is found in India and South Africa and can prove to be a cost-effective option and a way to reduce overall costs.

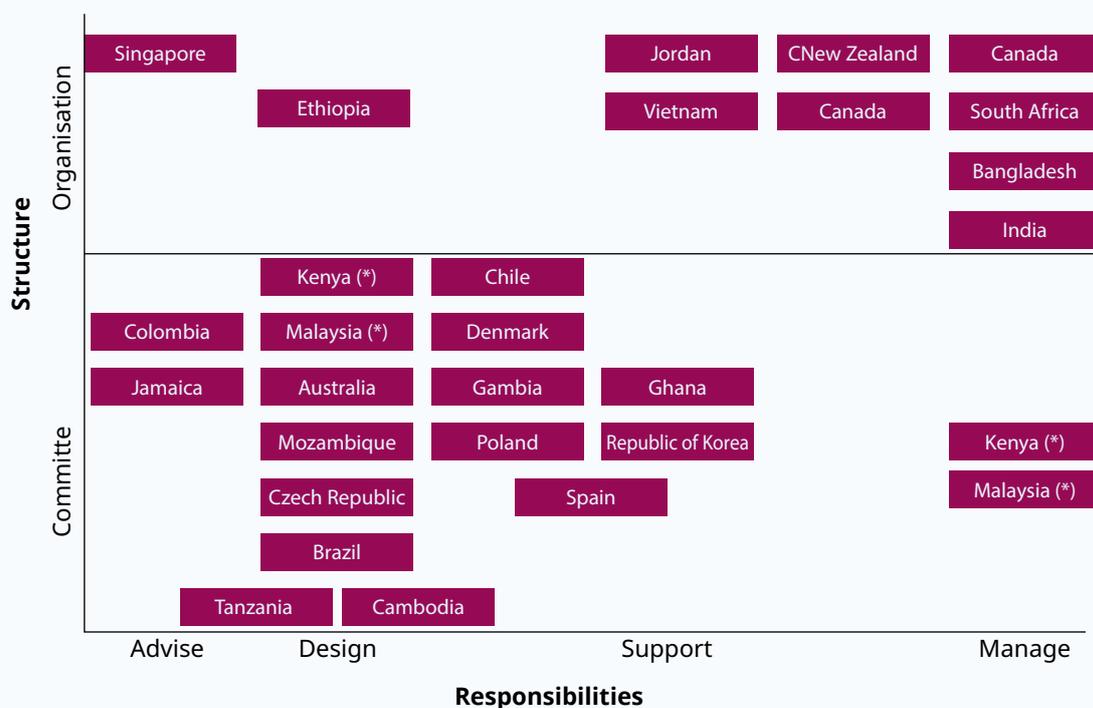
SSBs as committees

Some SSBs are constituted solely as committees that come together periodically to undertake their work. They are supported by a secretariat which may be provided by the government or a third-party organisation such as a development partner in the case of funded projects.

These SSBs are typically more government-led and have a limited remit, such as solely developing occupational standards and/or providing labour market intelligence.

A committee approach can be more cost effective and in some cases the low and middle income countries makes this option more realistic. It

► **Figure 2: Responsibilities and structure of a selection of international SSBs**



* Denotes two different SSB approaches in the same country



► **Table 2: Examples of SSB organisational and committee structure**

Operate as autonomous organisations	Operate as committees
Bangladesh	Australia
Canada	Cambodia
Ethiopia	Chile
Ghana	Colombia
India	Czech Republic
Jordan	Denmark
New Zealand	Gambia
Brazil	Jamaica
Singapore	Latvia
South Africa	Malaysia
UK	Mexico
	Namibia

is also a useful means in the early stages of the development of an SSB to assess and build up employer interest and engagement and can be seen as a stepping stone to an organisational approach. However, if SSBs are established as government committees it will take longer to build momentum, generate industry ownership, produce its required outputs and have the impact in the sector that is expected.

A disadvantage with the approach is that members may not feel that they are driving the SSB and can be frustrated with the slow pace of progress

which is typical of the committee structure, as it typically involves multiple SSBs being supported by a centralised secretariat.

Figure 2 shows how a range of international SSBs can be positioned in terms of responsibilities and whether they are structured as a separate organisation or as a committee. It suggests that fewer SSBs take on a more expansive mandate if they are structured as a committee compared to those established as separate organisations.

1.4.3 The membership of the Sector Skills Body

Successful SSBs are those that have generated high levels of ‘brand awareness’ of the SSB within their sectors and have demonstrated the impact and success of their work. In order to do this they need to have built a broad coalition of stakeholders in their sectors. In essence, to work with their stakeholders they need to understand their needs, involve them in aspects of their work and find solutions for them so they can demonstrate they have had an impact in their sectors.

Membership is fundamentally determined by the scope and sector coverage of the SSB. It is from this pool of members that an executive or board will have to be chosen to guide and oversee the direction and operation of the SSB. Membership is linked to representation of key stakeholders which typically include:

- employers (of all sizes and from the sub-sectors making up the sector);
- industry associations;
- worker representatives, including trade unions;
- government ministries and agencies;
- TVET institutions; and
- specialist bodies, such as research agencies.

Membership can be formal or informal, depending on the degree of autonomy of the SSB. Some autonomous SSBs operate with a council of stakeholders from which the Executive or Board are elected. In some cases, organisational members pay a fee to contribute to the SSB operating costs. In other cases, the members of

the SSB are simply the members of the board or the committee that constitutes the SSB. In either case, the SSB needs to ensure there is adequate representation of major stakeholders. Employer members can be nominated by industry associations or other partners or alternatively volunteers sought. Ideally, the membership should reflect:

- ▶ the range of sub-sectors
- ▶ different sizes of business
- ▶ geographic coverage (although this can be challenging if travel to meetings is required);
- ▶ employers that primarily target the export or domestic markets

Size and composition of the executive or board of an SSB

In the case of SSBs operating as standalone organisations, given the breadth of stakeholders or members that the SSB will need to engage, it

is important that a smaller executive council or board can oversee its work and guide its direction. In the case of an SSB set up as a committee then it is also important that the committee reflects the breadth of stakeholders in the sector. The size of the executive council or board varies, but it is usually between 15-20 members. This allows for broad representation, but maintains a realistic size for discussion and decision making.

Countries have tended to adopt one of three approaches when it comes to the composition of the executive council or board:

1. Employers only;
2. Tripartite arrangement with employers, worker representatives and government;
3. Cross-sectoral stakeholders, including employers, worker representatives, relevant ministries, TVET institutions and specialist organisations e.g agricultural research agencies.

▶ **Table 3: Advantages and disadvantages of different representation models**

	Advantages	Disadvantages
Employers only	<ul style="list-style-type: none"> ▶ Provides a clear employer voice 	<ul style="list-style-type: none"> ▶ May not have required knowledge and expertise to understand the nature of some of the problems ▶ Excludes other key stakeholders in the sector ▶ Does not support social dialogue
Tripartite	<ul style="list-style-type: none"> ▶ Encourages social dialogue on skills issues ▶ Provides a broader context to understand problems from employer and worker perspectives ▶ Better alignment with government strategies 	<ul style="list-style-type: none"> ▶ There is a danger that government can dominate attendance and meeting.
Tripartite Plus (including other sector stakeholders)	<ul style="list-style-type: none"> ▶ Ensures all expertise is represented ▶ Emphasises collaborative approach by including TVET institutions ▶ Encourages social dialogue on skills issues 	<ul style="list-style-type: none"> ▶ Can reduce the voice of industry and undermine a demand-driven approach ▶ Potential conflicts of interest depending on the roles and responsibilities of members

► **Table 4: Examples of countries that have adopted different membership composition**

Employers only	Tripartite arrangement	Tripartite Plus
Brazil Canada Chile Singapore UK	Australia Bangladesh Ethiopia Jordan Tanzania Cambodia Netherlands Spain Sri Lanka	The Gambia Ghana India Denmark Latvia Slovakia Czech Republic Vietnam New Zealand

A tripartite and more inclusive membership is recommended as this has proved to be most effective approach in bringing all key stakeholders together to drive the direction of the SSB and oversee its operation.

In some cases, a country may adopt different approaches for different SSBs, depending on the sector and the key stakeholders within it. As an example, a sector may decide to include the Ministry of Works if they are a large employer in the roadbuilding or construction sectors. Similarly, it can be useful to include the relevant ministry if the SSB is trying to align its skills action plan to that of the government’s strategy e.g. the Ministry of Agriculture, Ministry of Trade, Ministry of Tourism etc.

If the SSB is established as a committee, then the principles described above may also apply to ensure broad representation. However, if the membership changes regularly and only comes together on an ad-hoc basis then it is unlikely that it will secure balanced representation and secure long-term engagement which will diminish its effectiveness.

Engaging a diverse range of partners can be challenging if there is not a tradition of social dialogue in the sector. It is important to acknowledge that it will take time for the SSB to work cohesively and effectively as an executive council or board, but by coming together during the process of establishment, through social dialogue, members can better understand their respective roles, share their thinking on challenges and opportunities, and in doing so, build greater understanding and empathy of each other’s roles and potential contributions. This is the reality of social dialogue in action.

Appointing chairpersons

A chairperson is typically chosen from the executive or board. This is usually an employer and someone who is known and respected in their sector and who is comfortable to engage ministers and senior officials.

The chairperson has an important role to not only represent the interests of their sector, but also to ensure that the work of the SSB reflects the needs of the sector and to galvanise tripartite partners to support its work.

In some instances, the chairperson also represents the SSB on the board or relevant committee of the organisation overseeing the SSB such as the national TVET council or apex body. This principle of cross-representation is an important consideration for government to ensure that the role of SSBs is linked to wider governance and decision making arrangements in the skill system.

Setting term limits

SSB board members usually serve on rotation between three to five years. This ensures that the SSB functions democratically and ensures that the executive council or board continues to reflect the composition of the sector. Often the rotation of members is aligned to the SSB licensing or endorsement cycle overseen by the government.

Establishing sub-committees or working groups

Given the limited number of members on the executive council or board, sub-committees are usually established, which can focus on different aspects of the work of the SSB, reflect

sub-sectors or geographic areas. The advantage of this approach is that it can expand the reach of the SSB to engage other stakeholders, but also bring in specific expertise that can represent specific sectors, occupations or functions. Examples of technical sub-groups include: policy, finance industry, employer engagement, standards and qualifications, research and labour market information. For SSBs with wide coverage, committees

are an effective means to ensure comprehensive industry input. For example, as the industry training advisory board endorsed by government during the 1990s, the Rural Training Council of Australia has committees representing the main sectors covered by their scope including: agriculture, horticulture, and conservation and land management.

▶ **Box 2: Membership of Sector Skills Councils in India**

In India there are 27 Sector Skills Councils (SSCs) representing 26 sectors and one focused on 'green jobs' (focused on jobs related to environmental sustainability). The SSCs are non-profit organisations and are recognised by the National Skills Development Corporation (NSDC) based on the proposal from their respective sectors. Their membership includes:

- ▶ Enterprise representatives from the sector
- ▶ Business leaders
- ▶ Industry associations
- ▶ Government bodies
- ▶ National Skills Development Corporation
- ▶ Training providers

Each SSC is chaired by a respected chairperson from the sector. For example, in February 2021, the chairperson of:

- ▶ Hydrocarbon SSC was the Chairman of the Indian Oil Corporation Ltd
- ▶ Beauty and Wellness SSC was the Founder of The Blossom Kochhar Group of Companies
- ▶ Retail Association SSC was the CEO, In initi Retail Ltd

The SSCs are overseen by the National Skills Development Corporation (NSDC) which in turn reports to the Ministry of Skills Development and Entrepreneurship.

SSC chairpersons are represented on the NSDC board and the NSDC has a role to provide initial capacity to help establish the SSCs, providing the infrastructure in which SSCs operate and monitors their effectiveness.

As of February 2021, the board of the NSDC included:

- ▶ Government of Assam
- ▶ Directorate General of Training
- ▶ Ministry of Micro, Small and Medium Enterprises (MSME)
- ▶ CEO, NSDC
- ▶ Confederation of Indian Industry (CII)
- ▶ Federation of Indian Chambers of Commerce & Industry (FICCI)
- ▶ Confederation of Real Estate Developers Association of India (CREDAI)
- ▶ The Associated Chambers of Commerce & Industry of India (ASSOCHAM)
- ▶ The National Association of Software and Services Companies (NASSCOM)
- ▶ Council for Leather Exports (CLE)
- ▶ Confederation of Indian Textile Industry (CITI)
- ▶ Gem & Jewellery Export Promotion Council of India (GJEPC)



▶ 1.5 What are the funding options for Sector Skills Bodies?

Funding can be one of the one of the most challenging areas to address in terms of both establishing and sustaining SSBs. A number of approaches have been tried globally, not all of which have been successful. Fundamentally, there are four distinct funding models that have been used:

1. Government funded model;
2. Employer funded model;
3. Third-party / income generating model;
4. Hybrid model.

1.5.1 Government funding

Government funding is typically provided through a central budget or generated through a levy and allocated to an SSB. This could be in the form of core funding to enable the SSB to fulfil its remit. Alternatively, it could be funded to undertake specific activities through a service contract.

Core funding

Core funding is an arrangement whereby government provides a fixed amount to the SSB to enable it to undertake its core mandate. These funds are typically agreed on an annual or three yearly basis and can be performance linked to the SSB meetings its objectives agreed with the SSB's oversight body. New Zealand is moving towards a core funding model to ensure that the SSB can

focus on its mandate and can avoid getting distracted from seeking income generation activities. This is a problem that has also been identified in other countries where the SSB ends up focusing on areas where funding is available, rather than on their core roles within the skill system.

In contrast, Canada has moved away from a core funding model and instead funds a number of Human Resource Development Councils to undertake specific activities which are proposed by the Councils and meet the priorities set out by the Federal Government. Box 4 outlines the types of activities that the Human Resource Development Councils in Canada receive funding for.

1.5.2 Employer-funded model

A number of governments have established SSBs with an initial allocation of funding with the expectation that the SSBs would become sustainably funded by employers and/or other sources once the benefits of the SSB are realised. To date, there have been mixed results from this approach.

When both Australia and the UK stopped funding the SSBs after decades of core funding, there was a significant reduction in the number of SSBs operating as they were no longer financially viable. In the case of the UK, after the withdrawal of funding and their core formal mandate related to standards and quality assurance, a

number merged to consolidate effort and only a handful remain, in many cases operating more like consultancy forms than sector owned skills councils. There are a number of reasons why an employer-funded approach has proved problematic:

- ▶ Some of the core outputs of an SSB, such as policy advice or labour market information benefit the whole sector. As such, individual employers are unlikely to contribute to the costs of a function they perceive no direct benefit from.

- ▶ Some of the roles and responsibilities of an SSB related to career promotion or standards and qualifications are public benefits which individual employers are not prepared to pay for;
 - ▶ The mandate of SSBs is restricted so they cannot take advantage of potentially income generating activities such as assessment and certification services;
 - ▶ Employers have access to general training intermediary services for free and are not prepared to pay for a service dedicated to their sector;
 - ▶ Employers are reluctant to purchase training products and services if they cannot measure the expected return on investment. This is often a complex undertaking for firms and leads to under investment, especially in SMEs;
 - ▶ If an SSB restricts its services to only those that pay, the SSB is unlikely to make a significant impact on their sector and will not deliver training products and services for the public good;
 - ▶ SSBs struggle to find a commercial funding stream that is not competing with other bodies or is a conflict of interest with its own remit. This can create tension and reduce the effectiveness of the SSB;
 - ▶ Sectors with a high proportion of small businesses may not be able to galvanise the same commitment or funding as sectors with a small number of businesses.
- As part of discussions over funding SSBs, it needs to be recognised that employers and member organisations offer their time and support to the work of SSBs on an in-kind basis, a contribution that needs to be accounted for when income and expenditure models are developed.

▶ **Box 3: The activities of human resource development councils in Canada**

The Sectoral Initiatives Program (SIP) was established in 2013 by Employment and Social Development Canada (ESDC) to support demand side labour market challenges through multistakeholder partnership-based projects. In 2020 the SIP budget was Can\$26.9m (US\$ 20.2m) and funded projects in key sectors to;

SIP funds projects in key sectors that:

- ▶ Develop sector-specific labour market intelligence;
- ▶ Create national occupational standards;
- ▶ Promote skills certification and accreditation systems; and,
- ▶ Test innovative approaches to addressing labour market challenges.

For example, in terms of labour market intelligence in the mining sector it funded:

- ▶ Industry specific forecasts of changes in employment and hiring requirements – national & regional.
- ▶ Ties projections to commodity price variability – presenting differing scenarios.
- ▶ Private sector and provincial governments use Mining Industry Human Resources Council's LMI modelling system to produce custom reports to help address HR/skills challenges.

SIP also includes some flexibility to invest in “creative solutions to labour market issues” such as:

- ▶ A pilot project with the Canadian Manufacturers and Exporters and Siemens which led to the development of the Student Work Placement Program.
- ▶ the project with the University of Ottawa that linked student tax data to education and training outcomes and which led to the introduction of the Education and Labour Market Longitudinal Linkage Platform.

Levy funding

SSBs can also be financed through funds generated by a training levy on employers. The basis for levies can vary, but a common feature is that funds are generated by taxing employers a percentage of their payroll or profits and that money is collected in a central fund to spend on TVET, including grants to SSBs. Alternatively, individual sectors generate their own funding which either goes into a central pot for dispersal or goes to the relevant SSB. Levies are currently funding SSB operations in South Africa (see section 1.4.7) and in some sectors in Kenya. In Brazil, the levy

is administered through five training authorities (see section 1.3.1) There is levy of one percent of payroll in the areas of the economy where these bodies operate and the SSBs, which form part of the training authorities provide the training. In most cases this is direct to the sector, but in the case of SENAR (rural) and SEBRAE (small enterprises) they use the proceeds to purchase training in the market.

1.5.3 Third-party funding / income generation

Donor funding

Donor organisations and international organisations have invested in the establishment of SSBs in a number of countries. Increasingly, they are working together to support the accelerated rollout of SSBs in a country by each financing one or more sectors and collaborating through the adoption of a common model. This helps generate momentum and encourage government to speed up the reform of their TVET system. In Jordan, the World Bank and European Bank of Reconstruction and Development (EBRD), GIZ and ILO are supporting the establishment of SSBs in seven priority sectors. Similarly, in Vietnam the ILO and the Australian Government are supporting different sectors but are collaborating with tripartite partners to ensure a common approach. In Bangladesh donor funding has supported the Industry Skills Council (ISC) for the Leather and Leather goods sector to establish the Bangladesh Centre for Excellence in Leather Skills to provide training, research, course curriculum development and other skills development events.

Income generation

Other countries have empowered SSBs to generate income by recognising them as training providers, or as assessment, certification or accreditation bodies through delegated authority. This can be challenging in certain TVET systems as the SSB may no longer be perceived as an honest broker and instead as a competitor to

other service providers, which can reduce their effectiveness and create perceived conflict of interest. Separate to these roles, SSBs in some countries supplement their income through the sale of training products, research reports and other products.

An alternative approach which is found in India is that an income stream is built into one or more of the activities taken forward by the SSBs, such as certification, log books or assessment. In India, the National Skills Development Corporation (NSDC) that oversees the Sector Skills Councils has provided kick start funding to the SSCs to get them fully established, but have also built in funding streams linked to their TORs to enable the SSC to receive funding from:

- ▶ Affiliation fees from training providers and assessors;
- ▶ Assessments and certification fees;
- ▶ Fees for the role of Project Implementing Agency (PIA) in government funded training schemes;
- ▶ Training of trainers;
- ▶ Sale of endorsed training products.

In addition, the SSC are able to receive donations and funds through the Indian government's 2% Corporate Social Responsibility (CSR) levy on enterprises.

1.5.4 Establishing a suitable funding model

At the outset policy makers need to consider what the sustainable funding model can be for the SSB. Based on international practice, this is likely to be most effective if it is a hybrid model where government pays for services and outputs that they contract SSBs to undertake and SSBs are able to obtain funds from third parties for the products and services they provide.

Clearly, where possible, an income stream or streams needs to be built into the mandate of the SSBs and reflected in its TORs and legal mandate. Roles related to assessment, certification and quality assurance are the most suitable basis for sustainable income streams but the impact on existing organisations and the overall cost of training needs to be considered. If the net impact is to increase the cost of training for individuals, then government will need consider the relative long term social cost of doing so compared with the cost of directly funding SSBs for the services they provide.

Governments need to recognise that SSBs primarily provide public goods should be funded by the government to do so, even if on a fee for service basis.

Regardless of the source of funding, some certainty needs to be provided to SSBs so they remain focused on fulfilling their terms of reference rather than spending all their time trying to chase funds.

Providing start up funding with the aim that the SSB will generate industry funding has proven to be challenging in a number of countries and so discussions sector stakeholders should explore how they can contribute funds or reduce costs by providing office accommodation or seconding staff for the secretariat. These and other forms of in-kind contribution should complement direct funding from government for specific products and services, supplemented by income generating opportunities linked to the roles and responsibilities of the SSB.

► 1.6 How can Sector Skill Bodies work with other institutions in the TVET system?

In establishing SSBs it is important to consider the TVET policy landscape in which they will operate and how they will work with other stakeholders and institutions. This should be based on a

detailed review of their TOR to ensure clear stakeholder understanding of SSB roles and responsibilities.

1.6.1 Key considerations

The introduction of SSBs often occurs as part of a broader program of reform in the education and training system. These reforms can address a number of challenges, but often focus on:

- [introducing a competence or outcomes based approach to curriculum and qualifications;](#)
- [improving labour market information and skills intelligence;](#)

- [improving employer engagement and adopting a sectoral approach to meet priority needs.](#)

When considering the role of SSBs in the context of such reforms it is important that:

- [SSBs have a clear remit which does not duplicate that of existing organisations;](#)

- ▶ that the terms of reference or rules of business of other organisations are updated and amended to explicitly outline how they have to engage with the SSBs;
- ▶ that the role of SSBs need to be clearly understood by other stakeholders to avoid confusion.

During periods of policy reform it is important that wide and deep consultations occur so the new policy and supporting institutional arrangements are clear and accepted. However, when introducing SSBs to a well established system, problems may arise when existing organisations have some of their remit transferred to the SSBs. This can cause resentment and may result in other organisations not collaborating effectively with the SSBs.

To address this, where possible government should ensure that SSBs are represented on the key organisations overseeing the system, such as apex bodies, and on taskforces that may be established to examine issues such as apprenticeships, internships, tackling youth unemployment etc. This enmeshes the SSBs within existing organisational mandates and allows for positive working relationships to develop between the key actors.

Holding workshops at the early stages of introducing SSBs is useful to build relationships, provide a forum for stakeholders to talk openly about their concerns and to identify tangible areas of work that stakeholders and SSBs can collaborate.

If SSBs do not have a clear mandate that is understood and agreed to by all parties, they will not have freedom to operate and will be constrained by confusion and political tensions surrounding their establishment. To be effective, SSBs require:

- ▶ a stable policy landscape, as employers are unlikely to commit to being involved in an SSB if they believe the policy to establish them does not have broad political support and is likely to be radically changed under a new minister or government;

- ▶ a clear remit for the SSB that does not overlap with other organisations and which has a clear legal basis provided by a specific piece of legislation, regulation or national policy;
- ▶ a clear accountability framework that provides real autonomy and allows the SSB to undertake its work with other stakeholders without having to constantly seek approval from a parent government ministry or agency;
- ▶ a dynamic culture of change where employers and stakeholders can see progress in the system as a result of their actions.

Balancing sectoral and geographic approaches

An important consideration is the extent to which a sector approach to skills development complements a geographic approach, whether it be local or regional and how these two approaches work together. This is especially important if the TVET systems is different in specific states or regions, or whether the sector is concentrated in specific regions or that the make-up of the sector differs markedly across different geographic areas.

SSBs typically operate nationally, but often they have regional representation, which may be in the form of specific committees made up of stakeholders in a particular geographic area or dedicated members of the secretariat based in a particular geographic location. These approaches help ensure that the SSB can work with geographic partners and are engaged with regional strategies and activities. It is also important that national activities take into account geographic locations. For example, that research provides geographic breakdowns or that stakeholders in specific regions are engaged in the review of skills standards.

1.6.2 Establishing a clear legal framework

As SSBs typically have a formal role within the TVET and skill system, it is more effective if this role is outlined in legislation, regulations or other types of formal and binding pronouncement. This helps clarify their role within the system and gives the

SSBs legitimacy to take their work forward. Jordan and Vietnam for example have recently passed by-laws setting out the role of SSBs and similar legislation is currently going through the Ghanaian parliament.

1.6.3 Creating the right oversight structure for Sector Skills Bodies

Whether the SSBs are working autonomously or closer to government, there needs to be effective oversight mechanism to endorse or approve the SSBs, oversee and evaluate their work and support them to fulfill their role. This function may be undertaken by:

- an line ministry that has a remit for TVET or skills development, such as the Ministry of Labour, Invalids and Social Affairs (MOLISA) in Vietnam;
- a government agency that reports directly to a line ministry, such as the Council for Technical and Vocational Education and Training (COTVET) in Ghana;
- an apex or coordinating body that has a broader remit than individual line ministries, such as the National Skills Development Authority (NSDA) in Bangladesh.

Giving responsibility for SSBs to apex or coordinating bodies where they exist is recommended as their wider remit can reinforce SSB establishment, resolve conflicts surrounding mandate and responsibilities, and support SSB led change to training arrangements in a sector.

In India, the National Skills Development Corporation (NSDC) is responsible for overseeing the work of the Sector Skills Councils as well as other initiatives in the skills development system. This includes advising employers on levy expenditure, building TVET capacity and validating qualifications. The NSDC has been responsible for the development of the Sector Skills Councils concept, their start-up funding and staged rollout across the sectors and for their ongoing 'licensing' and endorsement of their ongoing work plans.

As SSBs can be placed on a continuum of being part of government or being more autonomous, so can the oversight organisations. Obviously, SSBs reporting directly into ministries are being overseen by civil servants and ultimately ministers. However, in other instances, the oversight organisations are often multi-partite, effectively operating as a Public Private Partnerships and are governed by a range of stakeholders. Ideally, this should include SSB representation to give SSBs a voice on the oversight organisation and to help the oversight organisation better understand common issues faced by the SSBs. In Bangladesh, India and Jordan a number of SSB chairpersons are represented on the oversight board which strengthens the voice of the SSBs across TVET policy implementation.

1.6.4 Evaluating performance and impact

In addition to their role to support the SSBs and help overcome any barriers, oversight are also responsible for evaluating the performance of the SSBs.

Agreeing measures

As the SSBs are established, the oversight body and the SSB need to agree on the measures by which their performance will be assessed. These

are typically a combination of qualitative and quantitative indicators, linked the SSB TOR and measured through objective data and support and/or survey evidence from employers and sector stakeholders.

It is relatively easy to assess the outputs of an SSB and there are a range of measures that can be used:

- ▶ labour market intelligence reports produced;
- ▶ number of sector stakeholders involved in consultations;
- ▶ occupational standards or qualifications developed or endorsed;
- ▶ number of learners assessed or certified;
- ▶ number of careers events attended;
- ▶ number of people registered on a careers platform;
- ▶ number of sector stakeholders receiving the SSB newsletter.

However, whilst these measure the performance of an SSB, they do not necessarily reflect its impact, so it is important to gather other data from a range of stakeholders and employers. These could be collected through surveys or alternatively through letters of supports, video clips etc.

As attribution is always difficult to determine, it is important that these opinions reflect those directly involved in the SSB (such as those on its executive council or boards, sub-groups and working groups members); those that have engaged with the SSB, (such as tripartite organisations and TVET institutions), as well as those that may have indirectly benefited from it work, (such as a wider cohort of employers and TVET institutions as well as potentially learners).

This will provide a fairly holistic picture of the impact the SSB is making.

Evaluating the outcomes of the SSB is the most useful, but also the most challenging assessment of the impact of the SSB. It is difficult to judge what impact the SSC may have uniquely had in reducing unemployment or overcoming skill shortages and gaps. For examples, in many sectors, the impact of the COVID-19 pandemic may have significantly reduced reported skill shortages and hard-to-fill vacancies without any impact from the SSB given the demand for labour significantly reduced in most sectors. Despite these challenges, it is useful to consider these measures and assess evidence of the types of interventions that may have had an impact on changing an outcome such as skill gaps for a particular occupation or skill shortage in a particular geographic area.

Reporting performance and impact

SSBs are usually endorsed or licenced to operate for a specific time period and are typically asked to report on their own performance on an annual basis. This could be in the form of an annual report or a self- assessment report.

It is likely that the ministry or agency that oversees the SSBs will use these documents and undertake their own assessment to measure the impact of the SSC. This may be carried out by the organisation themselves or given to a relevant authority. For example, in the UK during one SSB licencing cycle the National Audit Office was brought in to assess the impact and value for money of the former Sector Skills Councils on behalf of the oversight body the UK Commission for Employment and Skills (UKCES).

However, despite the oversight arrangements in place there are relatively few robust evaluation studies that assesses the impact and value for money of SSBs.

Despite the lack of robust evaluations, frequent changes to the TVET system in many countries has meant that the role of SSBs often change overtime. Countries such as Australia, the Netherlands, Canada, New Zealand, South Africa and the UK have all made substantive changes to the way SSBs are structured and operate. These interventions reflect changes in government policy and the emergence of different TVET policies. (See Box 5: Recent Changes to the Sector Skills Bodies operating in New Zealand).



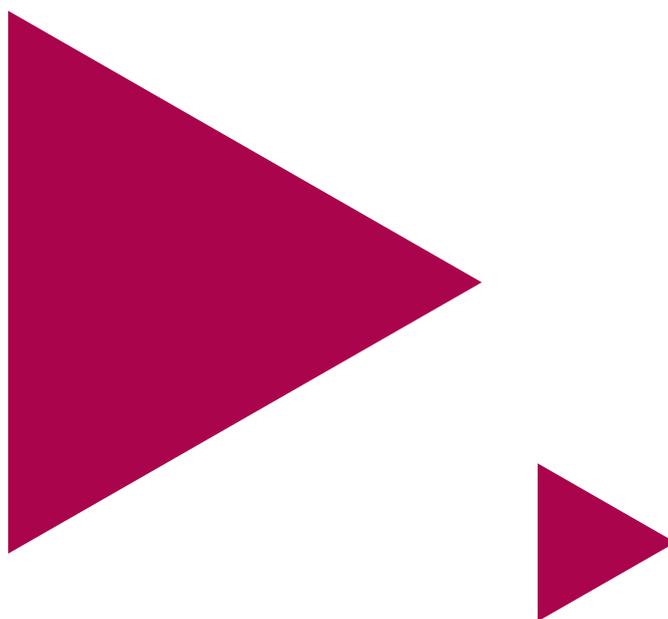
▶ Box 4: Changes to the structure and remit of Sector Skills Bodies in New Zealand

Whilst New Zealand established Industry Training Organisations (ITOs) in the 1990's, they have gone through a series of reforms over the past thirty years. These changes have seen them shift from having responsibility for key functional areas in the skill system (such as standard setting or the moderation of assessment) and moving to having a wider and more strategic role of coordinating and overseeing training in the sector. Up to 70% of their operating costs were funded by the government.

In 2020 This system is being reformed. and the existing 11 ITOs will be replaced by six Workforce Development Councils (WDC) to streamline arrangements and to give industry greater leadership across vocational education and training. The new WDCs will:

- ▶ Have a forward, strategic view of the future skills needs of industries.
- ▶ Set standards, develop qualifications and help shape the curriculum of vocational education. They will moderate assessments against industry standards and, where appropriate, set and moderate capstone assessments at the end of a qualification.
- ▶ Provide advice to the Tertiary Education Commission (TEC) on investment in vocational education, and determine the appropriate mix of skills and training for the industries they cover.
- ▶ Endorse programmes that lead to qualifications, whether work-based (such as apprenticeships), on-campus or online.
- ▶ Provide employers with brokerage and advisory services, but will not be directly involved in arranging apprenticeships and other on-the-job training which will sit with providers.

The ITOs' previous role of supporting workplace learning and assessment for on-the-job vocational education will be transferred to vocational education providers.



Section 2: How to successfully establish Sector Skills Bodies

► 2.1 Introduction

This section looks at how policy makers can move from the concept of introducing SSBs to engaging stakeholders and securing their commitment to support and establish SSBs. It explores the importance of engagement and consultation with a wide range of stakeholders, considers how to identify the sectors in which SSBs will be

established, and highlights some of the typical problems that need to be overcome.

This section is largely aimed at those who are responsible for establishing SSBs in their country.

▶ 2.2 How to select sectors?

Identifying and prioritising sectors for SSB establishment is critical and the initial sector analysis is typically undertaken in the early stages before stakeholders are engaged. Section 1.3 examined

2.2.1 Undertaking data analysis

It is important that stakeholders are presented with a range of data that highlights the potential opportunities of establishing SSBs in particular sectors. This means analysing sectoral data across a range of variables such as:

- ▶ size of the sector in employment terms and employment projections;
- ▶ sectors with export or growth potential;
- ▶ government priorities;
- ▶ sectors with identified skill shortages or gaps.

There is a range of datasets that can be used, primarily the Labour Force Survey and national skills surveys where these exist. Similarly, there may be relevant datasets available from the World Bank, regional banks and development agencies, international agencies and NGOs. Various ministries and planning agencies may also have undertaken research to identify priority sectors in the economy and national development plans where they exist should be referred to so establishment of SSBs supports other government economic priorities.

The data should be presented in way that clearly sets out which sectors emerge strongly against these variables and where possible a number of sectors are proposed to be considered by stakeholders with a clear rationale so that stakeholders

some of the key considerations in determining the sectors in which the SSBs operate. This section focuses on how best to go about it.

can discuss the evidence and identify in which sectors they want to see SSBs rolled out.

Given the breadth of any national economy and the limited resources likely to be available, it may be that some SSBs will be established with a very wide scope, beyond the normal sector definitions that combines sectors that may not necessarily work together under a single SSB (for example, textiles, garments and leather goods; agriculture, forestry and fisheries; tourism and hospitality; retail and wholesale services). This will require delicate negotiations with stakeholders to agree on the relative balance of representation and the exact boundaries of sectoral coverage.

It will also be important to know before the initial consultation event how many sectors need to be identified, as this is largely determined by the available funding and physical resources to support the establishment of the SSBs.

If it is at all possible the analysis and conclusions drawn from it should inform which sectors are invited to the consultation events, as senior representation is required from those specific sector in order to help shape their structure and commit to forming SSBs. More tools and resources related to sectoral skills analyses can be found in these ILO resources (ILO 2020d, ILO 2016).

2.2.2 Identifying sectors and securing commitment

The review of economic reports and data analysis should help inform discussion about priority sectors, but despite strong evidence suggesting that a sector should be a priority for SSB establishment, sector stakeholders, for various reasons may not support the idea. (see 2.4.2). This approach ensures that key sectors are engaged, but it can cause resentment from other sectors that have not been approached.

Another approach is to send out an invitation to tender and invite expressions of interest from sectors who wish to establish SSBs. This provides a transparent approach, but it can be time consuming for those overseeing the establishment of SSBs, as well as those submitting tenders. It is also important with this approach that the number of SSBs that can be established given available funding is known and communicated in order to

manage expectations. In this approach, the onus is placed on sector stakeholders to come together and develop a coalition as part of proposal development.

It can also prove challenging if specific sub-sectors submit expressions of interest as the rollout of SSBs could be disjointed given the different sizes of sectors. However, some policy makers may like this approach as it allows them to evaluate the various strengths and weaknesses of smaller or larger sectors before it is rolled out more widely.

In either case, it is important that establishment of SSBs in a sector does not proceed if there is not

strong and clear evidence of industry support from both employers and workers organisations.

A number of countries such as Vietnam, Cambodia and Indonesia have decided to pilot the SSBs and then begin a gradual expansion once they have developed a working model and have practical experience of the challenges and opportunities involved. This allows for a realistic assessment of the model being piloted, and allows other sectors to see how they are operating, what results are being achieved and to decide whether the model has potential application in their sectors (See Box 6: Establishing Sector Skills Bodies in Vietnam and Jordan).

▶ 2.3 How to engage sector stakeholders?

Engaging tripartite partners and other stakeholders is probably the most important part of the process in establishing SSBs. This process is

central to ensure they understand the potential role of SSBs and securing their support, commitment and participation.

2.3.1 Initial engagement and consultation

An effective way to commence engagement is to hold an initial consultation event, where all tripartite partners and key stakeholders participate. This engagement should present international experience with SSBs and consider their potential role in tackling some of key challenges that might exist in the national system. Key stakeholders that you should consider engaging at this stage of the process include:

- ▶ significant employers;
- ▶ key employer and business membership organisations;
- ▶ workers organisations and trade unions;
- ▶ representatives of civil society including womens' groups and youth organisations;
- ▶ relevant government ministries engaged in employment, skills development and related policy issues affecting the sector;
- ▶ key bodies in the TVET system, such as apex or coordinating councils, quality assurance agency, qualifications authority, awarding organisations etc.

▶ TVET institutions: both public and private

It is important to create an open forum where stakeholders can be honest about the challenges they face in the system and which allows them to outline their needs and potential frustrations. Such open discussion will help shape the potential role of the SSB and its mandate in the system.

It is important that they have, and feel that they have, a genuine opportunity to shape the direction of the SSBs, rather than simply being presented SSBs as an irreversible and pre-determined decision, a 'fait accompli'.

In conjunction with this initial event and ideally in the run up to it, it is important to engage senior tripartite partners, in particular, leaders of key businesses in those sectors that have been identified as the priority sectors for SSB establishment. (See Section 2.3 for the process of sector selection). This direct engagement is critical as these senior business leaders have an important advocacy role to encourage their peers to become involved with the SSB.

Ideally, these initial consultations, between senior government representatives and senior business leaders will identify key champions and potential founding chairpersons of the SSB.

Policy makers are more likely to secure the commitment of senior partners if:

- ▶ there is a clear view on what the SSBs are aiming to achieve;
- ▶ the potential roles and responsibilities of the SSB;
- ▶ there are clear and realistic timelines in place;
- ▶ seed funding is available to support the establishment and initial work of the SSBs;
- ▶ a sustainable funding model will be developed.

Whilst policy makers need to have a clear view on the potential roles and responsibilities of the SSBs, it is important that senior leaders and all stakeholders feel like they have an opportunity

to shape them. Similarly, the more expansive the terms of reference and the more meaningful impact they are likely to have in the system then the more likely it will be secure their commitment.

Given at this stage policy makers should ideally have a clear idea about some of the operational models it wants to consider, it will important to have thought about whether sufficient funds are available to establish the SSBs and support their operations in the manner intended. For this purpose, an exemplar operating budget for SSBs should be drawn up and used for the purpose of costing.

As noted earlier, funding models for SSBs typically involve a mix of funding sources and as such, international organisations and potential donors may be a source of support either to share their experience or to gaining their commitment to support a potential pilot.

▶ 2.4 How to secure the commitment of sector stakeholders to establish Sector Skills Bodies?

2.4.1 Expanding the consultation process and securing commitment

Following the initial consultation event, it will be necessary to hold one or more follow-up events, which may be run over several days to further consult stakeholders, familiarise them further with the concept and to secure their agreement on various key issues including:

- ▶ the terms of reference;
- ▶ scope and sectoral coverage;
- ▶ membership;
- ▶ structure: committees or autonomous organisations;
- ▶ funding: initial and longer term;
- ▶ legal framework;

- ▶ priority sectors for piloting and/or establishment;
- ▶ relationship with other key organisations in the system;
- ▶ the structure, location and function of the secretariat/s.

At this stage it is helpful to have a clear idea of the sectors that are likely to be the focus for SSB establishment and who the key stakeholders in the sector are. These consultations can take place on a sector by sector basis or collectively, where multiple sectors are represented. It is preferable to encourage the sector representatives to participate in wider cross-sector consultation events,

as it can create greater cross-sector momentum and encourage the sectors to work together with other parties to agree the design and shape of the SSBs.

Similarly, if there are significant geographic considerations that need to be taken into account as part of SSB establishment, it is advisable to hold sessions in these parts of the country to again ensure effective engagement.

► **Box 5: Establishing Sector Skills Bodies in Vietnam and Jordan**

Sector Skills Bodies (SSBs) have recently been established in Jordan and Vietnam and both countries illustrate the importance of stakeholder engagement in establishing SSBs.

In 2019, MOLISA (The Ministry of Labour, Invalid and Social Affairs) launched pilots of National Sector Skills Councils (NSSCs) in two sectors with the aim of putting in place a model that reflects the needs of the country and adds value to the existing TVET system in Vietnam.

ILO is supporting the pilot in the agriculture sector and the Australian government, through its embassy in Hanoi, is doing the same in the hospitality and tourism sector.

ILO, with funding from the Russian Federation as part of the G20 Training Strategy, have engaged a broad range of stakeholders to highlight the different models of sector skill councils internationally and to look at what was most appropriate for Vietnam. This was done through a series of workshops and meetings. These sessions were important to engage and stimulate employers and demonstrate what they could achieve. At the same time, it was also important to give the government confidence that employers would make the necessary changes if they were given an appropriate role.

The NSSCs are being developed as government-driven councils that have a strong employer voice. However, this has been challenging given the majority of agricultural businesses are made up of small family farms, the size of the country and the wide range of sub-sectors reflecting the variety of agriculture in Vietnam. In order to tackle this problem, ILO engaged a wide range of industry associations that represented the different interests of the SSBs and through them engaged and consulted their members.

In Jordan, seven SSCs have been established covering sectors such as garment; chemicals and cosmetics; ICT and hospitality and tourism sectors; as well as one focusing on refugees.

In 2018, the Jordanian government produced the National Human Resource Development Strategy, which set out a vision for 'talent-driven prosperity'. The strategy outlined plans to create a demand-led system and introduce SSCs as a way of engaging employers in TVET. The government looked at a number of existing international models and engaged a range of international and donor organisations. These organisations included ILO, the European Bank for Reconstruction and Development (EBRD), the World Bank and GIZ who agreed to work together and adopt a common approach in establishing SSCs, including common terms of reference.

During the initial stages, considerable effort was put towards to engaging employers and employer organisations, trade unions and other critical stakeholders. A key partner for the ILO was the Jordan Chamber of Industry who helped engage employer organisations. Their role and the role of employer representatives was important given that 95% of employers are small or medium sized businesses.

ILO initially held a two-day workshop on the Dead Sea with key stakeholders, but stakeholders felt that they needed greater context of how TVET was structured internationally in order to identify the most appropriate model in Jordan. In response, ILO facilitated an additional workshop to give stakeholders a broader context and more time to agree a way forward.

Terms of reference were agreed for the SSCs after robust discussion between the industry and government representatives and stakeholders also identified a model for how SSCs should operate, which was autonomous and independent of government in order to position them as a clear voice of their sector, but who would work in partnership with government.

2.4.2 Gaining commitment from key stakeholders

After the initial consultations, it is necessary to engage the sectors more directly to finalise stakeholder involvement and negotiate key operational decisions. The aim is to confirm interest and commitment to establishing an SSB in their sector and to identify any additional partners that need to be engaged and consulted.

This initial engagement is often with the major industry association in the sector, together with key tripartite parties and other key agencies or institutions.

In gaining the commitment of the sector it is important to be clear on the definition and scope of the sector to ensure everyone has the same expectations and the relevant stakeholders are engaged. For example, if a sector such as agriculture is to have an SSB, major points of discussion often include issues like whether agrofood-processing, horticulture and on-farm aquaculture should be included, or how major sub-sectors

like livestock and cropping are to be represented. These types of discussions will occur for every SSB and determine the stakeholders to be engaged. The issue of SSB scope and coverage needs to be resolved as part of the process of gaining commitment from stakeholders. When working to secure commitment and agreement, efforts are more likely to succeed if:

- ▶ the sector has a voice in shaping the design and focus of the SSBs;
- ▶ the terms of reference are more expansive, rather than narrow;
- ▶ adequate funding is available, at least in the short to medium term;
- ▶ the potential for impact is clearly communicated and the stakeholders agree skills issues are a priority for their sector.

▶ 2.5 What are the challenges in establishing Sector Skills Bodies and how best do you overcome them?

There are a number of common challenges that stakeholders confront when establishing sector skills bodies. Most can be addressed at an early

stage, but it is important to be aware of them and address them head on:

2.5.1 Managing cultural differences between the public and private sector

It can be a stereotype that business and government operate very differently, but in reality, the establishment of SSBs does often involve problems arising from the different ways that the public and private sectors operate. Private sector businesses tend to make fast decisions and ensure resources are well placed to help them move forward quickly. In contrast, the public sector has natural checks and balances that can be time consuming and slow the process of decision making and taking action.

It is important that the private sector is aware of the often slower decision making processes, but

critically, the public sector also needs to ensure that it can move as fast as possible as this will maintain the commitment and engagement of the private sector. This means reviewing reporting lines to make them shorter before the SSBs are established, that key policy and funding decisions are as far as possible agreed upfront and that government can demonstrate an active agenda of action around the SSBs – otherwise key stakeholders may slowly drift away from the SSB and in effect abandon it.

Policy makers would be advised to set out clearly to employers and stakeholders the process and



timescale for implementation. At the same time they should ask themselves whether certain processes are actually necessary and can be sped up. The more upfront work is carried out to set out

thinking about how the SSBs could work and how they could be funded before the process starts the more seamless the process will be.

2.5.2 Allowing the SSBs to be empowered to undertake their roles

Another important cultural challenge is for a government to transfer a degree of autonomy to the SSB. This is important as members of the SSB must feel they have the autonomy to establish themselves, fulfil their remit and make an impact in order to build a positive reputation in their sector. For the government to feel confident in the transfer of specific responsibilities to the SSB, they must put in place a good monitoring system that ensures the SSB is on track and making the desired outputs, but without stifling the SSB's autonomy. See section 1.7.5 for an overview of the monitoring of the SSBs.

If the ultimate goal of SSB establishment is to increase industry engagement in TVET and

skills development, then that engagement has to deliver a 'return' for industry and those that participate in it. The argument of 'corporate social responsibility' can only go so far in leveraging industry support, so if SSBs do not have a mandate with the potential to create meaningful impact in a sector, then industry support will be less likely to materialise.

A meaningful role is where the SSB has influence and governance responsibilities over key processes in the system such as policy, training delivery, assessment, certification and/or quality assurance.

2.5.3 Building the capacity of stakeholders overseeing and involved in the SSBs

It is important that both the members of the SSB, its secretariat and those involved in facilitating and overseeing the SSB have a clear understanding of their roles and those of other organisations in the system. They also have to have the business skills and knowledge of the sector to fulfil their roles effectively.

The selection of SSB members must be carefully considered. In many cases, membership is representational, meaning that an industry body will nominate a representative, but full and frank discussions should be held to ensure that nominated representatives are actively supportive of the SSB concept, have solid experience in and knowledge of the sector, and that will bring energy and dynamism to the work of the SSB. More detail on the selection criteria for SSB members can be found in Section 3.2.1.

The quality of SSB members are central to the success of these organisations and the experience of those countries with a long history of SSBs bears this out. It is important to ensure that the right

people become involved in the SSB and that the terms of reference allow poor performing members to be replaced.

Once the founding SSB members are in place, building their capacity to contribute to the SSB is a key issue. This can be done in a variety of ways, including the following:

- ▶ study visits to countries where similar SSB models are operating;
- ▶ holding workshops where all key stakeholders come together to review the SSB roles and receive training in key areas relevant to them;
- ▶ workshops with all SSBs to develop shared understanding of what the SSBs are aiming to achieve and the culture in which they are operating;
- ▶ delivering tailored training that addresses the governance of the SSB including finance and administration, monitoring and evaluation.

2.5.4 Engaging stakeholders and generating commitment

Engagement can be a time consuming process, but it is crucial to ensure everyone has a high level awareness of the SSB rollout and that they are engaged and committed to the process.

The time to do this should not be underestimated and it is important to ensure that the engagement is at the right level. Senior stakeholders may assign this to a lower level member of their organisation, but it is critical that high level engagement be done in the first instance is sought if the rollout is to be successful. Formal, high level Ministerial or Secretary led engagement with CEOs and other key sector leaders should be the foundation upon

which sector engagement is based as without this high level engagement it is likely that industry commitment will not be secured.

As part of this process it is also important that all stakeholders understand the culture in which the SSBs will operate and the roles and responsibilities on offer. For government stakeholders this might mean being aware of the speed of decision making required and how the SSBs will work differently from other tripartite partners. For employers, it might be awareness of the broader checks and balances that the SSBs will be operating under (especially if they are using public funding).

2.5.5 Securing funding

Securing funding is a constant challenge for many countries establishing SSBs. Where possible, from the outset it is advisable to have a clear picture of funding in the short to medium term and some understanding of the longer

term potential sustainable funding model. This will clarify the potential operating environment and ensure that expectations about the potential mandate of the SSBs are realistic given available funding.

A number of countries have engaged donor organisations collectively, which have enabled the SSBs to start piloting the approach across a number of priority sectors. Some countries have provided initial funding to the SSB with the expectation that the sector will see the benefit and fund them going forward. However, evidence suggest

this may not be a realistic expectation and that a preferred method could be to link secure income streams with their TOR and ongoing operations, similar to the models operating in India and South Africa (see section 1.6).

2.5.6 Alignment with wider TVET system

Section 1.7 highlighted the importance of establishing the SSBs with a clear mandate and roles in the wider TVET system. It can be difficult and take time for SSBs to find their feet and operate in an established TVET system, especially as they often have a different approach and culture as private sector representatives. If the system is not responsive to their needs, the SSB is unlikely to be effective and employers and worker organisations are likely to lose interest and disengage.

The oversight body has an important role to ensure that the mandate of the SSBs is clearly articulated and understood by other TVET institutions and stakeholders. It is also important that they are able to support the SSBs overcome barriers that are hampering their impact and effectiveness. This is obviously easier if the oversight body is also responsible for other parts of the TVET system as they have greater leverage to make change happen.

2.5.7 Navigating the start-up phase

The start-up phase is critically important but challenging as there are many expectations on SSBs: building relations with key partners and being asked to become involved in different activities in their sector and the wider TVET system.

A critically important piece of the work that the SSB needs to focus on and which the oversight body needs to support and facilitate, is the development of an Action Plan for the SSB (see section 3.2.1).

Such an action plan sets out the priorities for the SSB and provides it with a clear direction

and roadmap on which to focus. The action plan is also a first opportunity for the SSB to engage with its sector and to undertake initial consultations on key issues. This will be an important step for the SSB as it prepares to develop the Sector Skills Strategy which is a common core deliverable required by the oversight body which involves research and analysis of the major skills issues facing the sector.

As an example, Annexe C contains the outline of the sector skills strategy used by SSBs in Ghana.



Section 3: Operating Sector Skills Bodies

This section looks at some of the key governance aspects that need to be in place for an SSB to operate effectively and considers some of the key technical issues surrounding the two most typical roles given to SSBs, that of collecting sector skills intelligence and developing an occupational and career map of the sector. It is primarily aimed at those stakeholders who are part of the SSBs and those overseeing them.

► 3.1 What responsibilities do members of the Sector Skills Bodies have?

As section 1.5.2 outlined, SSBs can be established as separate organisations or as a committee in an industry or government organisation. From a members' perspective the roles and responsibilities of the SSB may be very different

depending which of the options are chosen and this sub-section largely focuses on those members who are part of an SSB operating as an autonomous organisation.

3.1.1 Internal governance of autonomous Sector Skills Bodies

The work of the SSB needs to be overseen by selected members which may be called a board or executive council or committee. Its role is to ensure standards of good governance and needs to undertake the following roles:

- ▶ regularly review results SSB operations, activities and programmes;
- ▶ ensure that all relevant internal policies, systems and compliance requirements are suitably developed and complied with;
- ▶ improve performance through professional development of members on TVET and skills issues, government policy directions, industry trends and SSB governance measures.

Selection criteria for members of the Sector Skills Body

Members of the SSB board or council should meet clear and publicly available criteria for membership. The criteria should specify the different stakeholder groups that are to be represented, and in the case of employers, ensure fair representation across the sector and its sub-sectors. Industry representation can include a mix of:

- ▶ leading employers from within the sector;
- ▶ relevant sector associations, business membership organisations, professional bodies and trade unions or workers' organisations;
- ▶ enterprises of different sizes including Micro, Small & Medium Enterprises (MSMEs)
- ▶ enterprises involved in both domestic and international markets and value chains;
- ▶ representatives of key regions where relevant.

The membership criteria should also set out expectations of members such as the need for them to:

- ▶ be recognised and respect within the sector to make strategic decisions on behalf of the sub-sector or have established networks with which they can consult;
- ▶ have good knowledge of their sector and an understanding of skills issues affecting it;

- ▶ have a strong commitment to their industry sector and an interest in skills development;
- ▶ provide a regional perspective relevant to the sector where necessary.

Induction of Board/Council/Committee members

The number of SSB board, council or committee members will vary depending on the size and cohesion of the sector. Many factors influence the size of a SSB, such as the age of the organisation (in the initial start-up there may be fewer members), the geographic scope and activities, and its funding needs. If the sector is very homogeneous, or alike, then there can be fewer board member than if the sector has many different sub-sectors or there are a range of competing industry associations.

One size will not fit all. A minimum of eight members may provide enough positions for a small cohesive sector to be fully represented. Larger boards may ensure a wide range of perspectives and expertise, yet a large board may become unwieldy and end up delegating too much responsibility to an executive committee to exercise substantial control. A maximum number for a board may be 15-20 members, though this will vary depending on the sector's needs and whether they can afford the costs involved in regularly bringing together such a large group.

It is good practice that at the start of their term that members:

- ▶ receive a letter of appointment that lays out some of the specific requirements of the board/council/committee. Depending on the set up or the stage of development this could be from the secretariat or the overseeing body;
- ▶ ideally receive a copy of an SSB Governance and Operations Guide which contains operational guidelines, TOR, and other relevant legal governance documentation, current and recent meeting papers, an organisational chart, contact details for other directors and key staff, a glossary of key terms, definitions and acronyms and the current year's meeting schedule. This again will depend on the stage of development of the SSB;

- ▶ receive a briefing on the SSB, structure, operations etc. This may be from the head of the secretariat or from the overarching body responsible for the SSB;
- ▶ meet with the chairperson where possible before their first meeting to ensure familiarisation with general meeting procedures and governance.

Sub-committees and working groups

SSBs generally establish specialist sub-groups and working groups to help them achieve their goals. Typically, sub-groups reflect the specific interests of particular sub-sectors or geographic areas. On the other hand, working groups typically provide advice to the board or council or take forward activities on its behalf. They vary in scope, with some focusing on key areas of the SSB's work, such as labour market intelligence or standards development. Alternatively, they could be 'task and finish' groups that are convened to take forward specific projects. Membership is usually based on the experience required and will involve other sector representatives not part of the core SSB board, council or committee – depending on structure.

The groups are typically assisted by the secretariat which support them in their work.

Some SSBs, especially the larger entities, will have a specific finance and audit committee which will provide oversight over the SSB's finances, accounting policies, risk management and financial reporting practices. This is especially important if the SSB is managing levy funds or dispersing government funding to stakeholders.

The Secretariat

The role of the secretariat was outlined in section 1.5.2. It plays a critical role in taking forward the work of the SSB and the reputation of a SSB is often made or lost as a result of the quality and performance of the secretariat. The size of a secretariat can vary considerably. Where an SSB sits within an industry association, the secretariat may be 1-2 people supported by other staff of the organisation. In an autonomous body, it may comprise 7-8 staff. At their peak, in the UK, some SSC had turnover in the millions of dollars and a secretariat of 10-15 staff and consultants.

It is very important that those working in the secretariat have skills and experience in the areas they are working, such as skills standards development, policy and labour market research. However, they will also need to be able to communicate effectively with busy tripartite parties, which often means presenting skills and policy information in a format that can be understood by people not immersed in the skills system on a daily basis.

It may not always be possible to recruit people to work in the secretariat with the range of skills required, so it will be important that they can take advantage of any professional development opportunities offered by the oversight body or other organisations in the system.

The Secretariat has an important role to support the board or executive council, including organising their meetings, being responsible for the day-to-day financial management of the SSB, engaging key stakeholders on their behalf and leading the activities of the SSB according to the TOR.

▶ 3.2 How to establish and implement the key functions of a Sector Skills Body?

Whilst the TOR of the SSB will determine the scope of its work, there are several roles which can be found in the TOR of almost all SSBs. These include:

- ▶ collecting and analysing labour market information and sector intelligence to determine current and future skill needs;
- ▶ developing an occupational map for the sector to inform possible future work on

qualifications, skill standards and career information; and

- ▶ developing a sector skills strategy to provide strategic advice to government and sector stakeholders.

This section provides some initial guidance on these key functions and provides links to additional resources relevant to the task.



3.2.1 Undertaking labour market research and sector analysis

Every SSB should have a current and comprehensive understanding of key labour market trends and issues in their sector and especially those related to skills and employability.

This understanding is developed over time through ongoing interaction with sector stakeholders during the daily business of the SSB. At key times however, a more structured process of labour market and sector analysis needs to occur, especially when the data and information will be used to develop the sector skill strategy or report.

A typical structured sector labour market analysis undertaken by an SSBs will involve a combination of secondary and primary research. In many cases secondary data may not be available or will be out-of-date so primary data may need to be collected through surveys and focus group discussions of key sector stakeholders.

Desktop research can be done using a range of public sources such as employer associations and industry bodies, government agencies, professional bodies, unions, non-governmental organisations, economic development groups, cluster development agencies, and public and private TVET institutions working across the sector. Donors, international development partners and NGOs may also have material relevant to the sector. Unpublished or 'grey literature' from all these sources should also be explored.

In order to produce the information range of data required for documents such as the Sector Skills Action Plan the SSB can utilise a number of tools and methods, some of which are outlined in Box 7 below.

► Box 6: Tools for Sector Analysis

The ILO Skills for Trade and Economic Development (STED) methodology is an approach that provides a sector level technical focus on identifying the skills development strategies required for future success in international trade. It is designed to support growth and decent employment creation in sectors that have the potential to increase exports and to contribute to economic growth. However, the tools and methodologies are also applicable to non-trading sectors including service sectors.

It has a six-stage process, set out in the 'Skills for Trade and Economic Diversification: A Practical Guide': https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---ifp_skills/documents/publication/wcms_549925.pdf

Labour Market Observatories (LMO)

This is a widely used approach at regional or sectoral levels comprising SSBs, Employment Services, education planners, training providers, career counsellors, small to medium scale enterprises, employer and employee organisations, non-governmental organisations and civil society groups involved in human resources development, skill formation and employment issues.

Labour Market Observatories work closely with industries, national training organisations, universities and research centres to look at current and future skill needs. Because of their close industry links they tend to collect qualitative information and analyse it alongside available quantitative data and they are able to identify information on current and anticipated changes in work organisation.

LMOs try to raise awareness and levels of understanding on the state of the labour market, as well as future likely labour market trends. SSBs can have a major role in facilitating this process and over time the partners in the process tend to collect more and relevant information. The European Training Foundation has produced an overview which can be found at:

www.etf.europa.eu/sites/default/files/m/F8E652156F4C0E9FC12580E60049A5CE_Observatories.pdf

Skills for Future Technologies Guide

Identifying the future needs of the sector is as important as identifying the current needs, as workers with the skills to adapt to future work requirements makes the sector more competitive. There are several methodologies for doing this, one is the ILO Skills for Future Technologies Guide, an ILO tool

► **Box 6: Tools for Sector Analysis** (*continued*)

for skills needs anticipation and to steer experts and practitioners in defining future technological change and related changes in employment, job tasks and skills needs.

More information can be found at:

www.ilo.org/skills/areas/skills-training-for-poverty-reduction/WCMS_534225/lang--en/index.htm

Scenario Development

Scenario development is a useful tool to envision skills and labour market needs and the types of drivers that can determine them. There are various methodologies to help develop these methodologies. One such methodology has been developed by the European Foresight Platform under the European Commission, which includes easy to use methodology and tools.

More information can be found at:

www.foresight-platform.eu/community/forlearn/how-to-do-foresight/

In all scenarios attention should be paid to replacement demand, that is the new labour required to fill the places of those who move between occupational groups, and up-skilling demand, the existing workers who will be required to hold new skill sets.

Combining multiple methodological approaches

Using more than one approach for collecting data and analysing data not only improves the quality but also provides opportunities to validate the data and analysis. For developing countries, skills matching and anticipation is often challenging given the limited availability of timely labour market information. At the same time, even limited evidence can be better, and more efficiently used, with proper methodological tools and analyses.

To respond to this challenge, the ETF, CEDFOP and ILO have developed six methodological guides on the anticipation and matching of skills supply and demand.

These guides can be found at:

www.ilo.org/employment/Whatwedo/Projects/WCMS_534345/lang--en/index.htm

Surveys

Surveys involve the collection of data usually through the distribution of questionnaires via mail, website or structured face-to-face interviews. The major advantage of using surveys is that it is possible to solicit the opinion of large numbers of people and to quantify the results. Their downside is that sometimes the information gathered is limited by the technique; in order to simplify data collection and interpretation, questionnaires are usually multiple-choice, thus restricting the depth and level of detail.

Although conducting a survey may appeal because of its straightforward nature, a low response rate will cast doubt on the validity of the findings. Working through sector stakeholders can increase the response rate as members of the association maintain a certain amount of loyalty and involvement in activities undertaken by their associations.

Focus Group Discussions

The oversight agency should provide guidance to SSBs on the type and scope of any sector intelligence required and it is on this basis that the SSB should select the sources and tools to collect the required data and sector intelligence.



3.2.2 Undertaking sector occupational mapping

Once all the sub-sectors are identified along with the occupations in each sub-sector, the SSB can start to develop an occupational map of the sector to identify common occupations, functions, and career pathways within the sector. This information can be used to:

- ▶ Prioritise occupations for occupational standards development as common occupations will be relevant to a larger number of companies,
- ▶ Identify common occupational standards for different qualifications to reduce resource use in developing occupational standards,
- ▶ Refer to the career pathways to develop matching qualifications pathways
- ▶ Take the information on career pathways in the industry sector and develop careers information, advice and guidance information for schools, colleges and HR professionals.

Once a career progression map is developed the next phase involves developing the skill standards that are required for each of these occupations. The occupational map allows the SSB to undertake the following:

- ▶ Ensure that it covers all the skills required within a sector
- ▶ Start identifying possible structures for meaningful qualifications. That is a qualification that can be understood by employers and workers and reflects what actually occurs within an industry sector.

Developing qualifications based on the actual movement of workers within a sector also serves an equity and access purpose, as it will reveal any discrepancy across gender and what barriers may be in place.

3.2.3 Producing a sector skills strategy

One of the most critical pieces of the work the SSB needs to undertake is the Sector Skills Action Plan. This document analyses existing and emerging trends within the sector represented by the SSB and forms a key resource for the government and the sector on the industry profile, skills and labour needs, skills supply and the mismatch between the demand and supply of skills and labour. It sets out a clear action plan to tackle the mismatch.

The sector skills action plan is a strategic evidence-based document and address current and future trends in the industry sectors or sub-sectors covered by the SSB. As a guide a Sector Skills Action Plan may be approximately 40-50 pages in length.

The Plan is important for the SSB, as it provides it with sound data and analysis on which to base its plans and also provides an opportunity to engage stakeholders across the sector and within the TVET community. It also guides the priorities for the SSB's standards development activities.

In June 2020, the new SSBs in Ghana completed their Sector Skills Action Plans and the structure of their reports can be found at Annex C.

The Sector Skills Action Plan needs to outline the industry profile: This can include the following type of information:

- ▶ Data on the size, diversity, and complexity of the sector in terms of employment
- ▶ The occupational composition of the sector and its sub-sectors
- ▶ Mode of work (full time, part-time, permanent, informal, contract) in
- ▶ Type of work (brief descriptions of tasks and duties)
- ▶ Geographical dispersion of the sector and sub-sectors
- ▶ Breadth of the sector: the significance of global value chains vs export markets, domestic, the level of regional integration
- ▶ Labour force demographic data for example on gender, age, cultural background, literacy and numeracy, and levels of educational attainment

- ▶ Data on under-represented groups in employment (for example women, people with a disability)
- ▶ Culture and context of the sector (formal, informal, mixture of both, tradition of workforce training, etc.)
- ▶ Key stakeholders, such as employer associations, industry associations, unions, NGOs, economic development groups, cluster development agencies, and professional groups
- ▶ Legislation, policies, tariffs, trade agreements etc. impacting the sector or particular sub-sectors
- ▶ Strategies and processes that ensure the SSB is informed about the needs of all parts of the sector it covers
- ▶ Major economic trends in the sector the SSB covers (e.g. in employment, production and exports)
- ▶ Industrial relations issues that have an impact on skills or skills demand (such as, low wages, location of the sector, insecure work, lack of career progression, poor health, safety and environmental record)
- ▶ Areas of skill and knowledge that are currently in short supply
- ▶ Detail the movement of workers within and out of the sector and sub-sector
- ▶ Groups of workers disadvantaged with regards to their access to, or participation in, employment and promotion.

The Sector Skills Action Plan needs to identify any mismatch between the demand and supply of skills and labour and so it is important to have a good understanding of the extent of the skills supply, including:

- ▶ Current unmet skills development needs of workers in the sector;
- ▶ New or additional areas of skill and knowledge likely to be required by the sector in order to meet future demands;

- ▶ The implications for the TVET system from the current and predicted skill needs and knowledge requirements;
- ▶ Oversupply or undersupply of training in the sector;
- ▶ The modes of training e.g. on-the-job, off-the-job training, part-time, full-time;
- ▶ The volume and nature of training which is supplied by employers;
- ▶ The current mixture of public, private and industry training provision and suggestions for improvement in the mix;
- ▶ Suggestions on improving the quality of skills development provided by all TVET Institutions, Assessment Centres and Employment Agencies.

▶ 3.3 How best to establish and maintain effective communication and networks?

Communication and engagement are the life-blood of an SSB. It does not matter how good the SSB is at its core work; if its activities are poorly understood, not known or not used it will not be successful and is unlikely to continue to operate.

A critical function of an SSB is to facilitate a two-way dialogue between industry and

government on skills development within their sector. It is vitally important that the SSB spends time developing strong networks in their sector and sub-sectors. Successful stakeholder engagement is necessary for effective high quality skills development consultations, feedback and implementation strategies.

3.3.1 Stakeholder representation, consultation and engagement

Engaging stakeholders in the sector is a two way process in both listening and understanding their views and explaining new developments, policies and opportunities.

The following provides some examples of the types of engagement an SSB is likely to have with sector stakeholders:

- ▶ Provide industry sectors and sub-sectors with accurate, relevant and objective information and advice with regards to skills development
- ▶ Obtain high quality information from industry on their skill needs
- ▶ Obtain feedback and recommendations on products such as occupational standards and Sector Skills Action Plans, on-the-job training models and other products
- ▶ Obtain feedback, recommendations and agreement on priority areas for SSC projects and activities
- ▶ Build a strong relationship with industry and other stakeholders
- ▶ Raise the importance of skilled workers for increased productivity
- ▶ Ensure stakeholders are listened to and have appropriate avenues to provide feedback, raise issues and concerns

The SSB should bring together all the stakeholders from the respective sectors reflecting a balance between stakeholders, to ensure the SSB can reflect a representative view from the sector.

Consultations should be conducted for the development of all SSB products, information leading to recommendations, sub-sector priorities, the development and implementation of projects and activities. They are also essential to review and gather feedback on the SSBs performance in meeting the sector's or sub-sector's needs.

Depending on available funds, consultation workshops, meetings and information sessions can be held in areas that reflect the geographic location of the sector/s or sub-sector. This is important to ensure regional issues are identified.

3.3.2 Communication strategies and tools

Successful stakeholder engagement requires ongoing communication with stakeholders through two-way communications, developing long-term relationships and responding to their advice and feedback. Importantly, good communication strategies build robust relationships with industry, employers and workers and improves the relevance of skills and the employability of those who have recently completed their studies.

The SSB should develop a range of communication channels through newsletters, online, ideally through their own website, articles in trade magazines, social media, presentations at industry conferences or network meetings. The SSB should develop and maintain an up-to-date contact and issues database to quickly connect with individuals from different sub-sectors for consultations and to provide information updates.

Effective communication with the sector stakeholders and TVET institutions can deliver the following benefits:

- ▶ Assists the SSB in building a positive reputation
- ▶ Strengthens networks and relationships with stakeholders
- ▶ Generates the sector support and involvement
- ▶ Improves customer satisfaction levels
- ▶ Increases stakeholder interest in TVET



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Overview of the structure and roles of SSBs across a range of countries

Sector Skill Body matrix

Country	Name	Provide policy advice and feedback	Generate and/or interpret skills and labour market information	Develop and maintain standards	Develop qualifications	Develop learning resources	Develop apprenticeship pathways	Support quality assurance of training providers	Promote the benefits of training	Promote careers information, advice and guidance	Contribute to training delivery and assessment	Support professional development of teachers, trainers and assessors	Manage and promote apprenticeships	Co-ordinate training in the sector	Manage government training initiatives and programmes	Administering training funds	Manage assessments
Australia	Industry Reference Committees	✓		✓				✓	✓			✓					
Bangladesh	Industry Skills Councils	✓		✓	✓			✓	✓		✓		✓				✓
Brazil	National Commercial Learning Service (Serviço Nacional de Aprendizagem Comercial) National Industrial Training Service (Serviço Nacional de Aprendizagem Industrial) National Rural Learning Service (Serviço Nacional de Aprendizagem Rural) National Transport Learning Service (Serviço Nacional de Aprendizagem do Transporte, Brazil)	✓	✓					✓			✓					✓	
Canada	Human Resource Development Councils	✓	✓	✓		✓		✓	✓		✓		✓	✓			
Cambodia	Sector Skills Councils			✓													
Chile	Sectoral Organisations of Labour Competencies (Organismos Sectoriales de Competencias Laborales (OSCL)	✓	✓					✓									
Colombia	SENA - Sector Tables (Mesas Sectoriales)	✓															
Czech Republic	Sector Councils (Sektorové Rady)	✓	✓	✓													
Denmark	Professional Committees (Faglige Udvalg)			✓				✓					✓	✓			

Country	Name	Provide policy advice and feedback	Generate and/or interpret skills and labour market information	Develop and maintain standards	Develop qualifications	Develop curriculum and learning resources	Develop apprenticeship pathways	Support quality assurance of training providers	Promote the benefits of training	Promote careers advice and information, guidance	Contribute to training delivery and assessment	Support professional development of teachers, trainers and assessors	Manage and promote apprenticeships	Co-ordinate training in the sector	Manage government training initiatives and programmes	Administering training funds	Manage assessments
Ethiopia	Sector Skills Committees	✓		✓					✓	✓							
Gambia	Sector Skills Councils	✓	✓	✓			✓			✓			✓				
Ghana	Sector Skills Bodies	✓	✓	✓													
Hungary	Sector Skills Councils	✓	✓	✓													
India	Sector Skills Councils	✓	✓	✓				✓	✓	✓	✓		✓				✓
Indonesia	Sector Skills Councils			✓													
Jamaica	Sector Skills Councils	✓															
Jordan	National Sector Skill Councils	✓	✓	✓				✓			✓						
Kenya	Sector Skills Councils	✓	✓													✓	
Latvia	Sector Expert Councils (Nozaru Ekspertu Padomes)	✓	✓	✓				✓									
Malaysia	Sectoral Training Committees			✓													✓
Mexico	Competency committees (comites-gestion-competencias)	✓	✓					✓	✓								
Mozambique	Sectoral Technical Advisory Committees			✓													
Poland	Sector Competence Councils (Sektorowe Rady Ds. Kompetencji)		✓	✓				✓									
New Zealand	Industry Training Organisations (soon to be replaced)	✓	✓	✓				✓									
Republic of Korea	Industry Skill Councils			✓									✓				
Singapore	Sector Bodies		✓														
Spain	Sectoral Joint Commissions (Comisiones Paritarias Sectoriales)	✓	✓	✓				✓									
South Africa	Sector Education Training Authorities	✓	✓	✓				✓	✓	✓	✓		✓				✓
Tanzania	Sector Skills Councils	✓	✓	✓													✓
Vietnam	National Sector Skills Councils	✓	✓	✓				✓	✓		✓						

Note: the classification reflects the mandate of the SSB and in some cases the SSB may not have yet fulfilled their mandate

▶ Annex B

Examples of Sector Skills Bodies' terms of reference

Ghana

1. Produce demand-driven, robust labour market and skills intelligence.
2. Outline career pathways, develop occupational standards and assessment.
3. Make recommendations to COTVET to ensure that qualifications, curriculum and learning materials reflect the occupational standards and that learning materials are also widely accessible.
4. Develop sector skills strategies, including funding recommendations and the formation of Public and Private Partnerships (PPPs) and feed into national and regional TVET strategies.
5. Facilitate initial training of young people and skills upgrading for existing workers, through apprenticeships, internships, mentorships and other work based development programmes.
6. Advocate for government and other incentives to encourage industry to invest in skills development and TVET.
7. Advocate and facilitate greater linkages between skills attainment, professional standards, payment regimes and the TVET system.

Jordan

1. Develop, manage, and maintain an effective Labour Market Intelligence System (LMIS)
2. Match supply and demand of skills and qualifications in the labour market
3. Advocate for and contributing to improvements in the TVET sector
4. Monitor and evaluate the progress and the results of training provisions

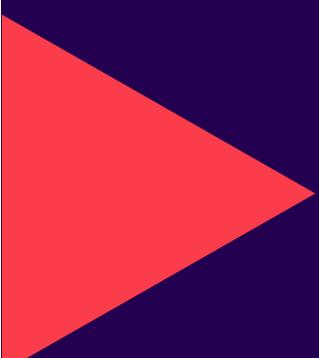
Vietnam

1. Provide up-to-date data and information relating to skills demand
2. Provide technical inputs to the development of national occupational skill standards, on and off the job training curriculum and career paths for the sector
3. Advocating for and contributing to improvements in the TVET sector to better address the needs of agriculture
4. Monitoring and evaluating the progress and the results of training provision in the sector

▶ Annex C

Structure of the Sector Skills Strategy in Ghana

1. Introduction
 - 1.1 *The need for a sector skills strategy*
 - 1.2 *Sector definition and scope*
 - 1.3 *Sector skills strategy aims and scope*
2. Profile and situation analysis for the sector and subsectors
 - 2.1 *Economic and workforce profile*
 - 2.2 *Employment*
 - 2.3 *Drivers of change, enablers and key major trends and their likely impact on employment.*
3. Profile of major occupations and key skills in the sector
4. The supply of skill
 - 4.1 *Key institutions, formal programmes and qualifications relevant to the sector*
 - 4.2 *Enrolment data*
 - 4.3 *Workbased and informal learning*
5. Supply side challenges and constraints
 - 5.1 *National skills policy and strategy*
 - 5.2 *Governance and stakeholder coordination*
 - 5.3 *Funding*
 - 5.4 *Relevance of curriculum and qualifications*
 - 5.5 *Delivery and assessment practices*
 - 5.6 *Access to training*
 - 5.7 *Gender equality*
6. Vision for the future of the sector
7. Gaps in the capabilities and skills needed to achieve the vision for the future
 - 7.1 *Labour shortages*
 - 7.2 *Skill shortages*
 - 7.3 *Skills gaps*
8. Recommendations on meeting priority skills needs and gaps
 - 8.1 *What skills are needed and where and who should deliver them*
9. Recommendations on meeting system-level priorities for the sector
 - 9.1 *National skills policy and strategy*
 - 9.2 *Governance and stakeholder coordination*
 - 9.3 *Funding*
 - 9.4 *Curriculum and qualifications*
 - 9.5 *Delivery and assessment practices*
 - 9.6 *Access to training*
 - 9.7 *Gender and disability equality*
10. Timescales
 - 10.1 *Immediate actions*
 - 10.2 *Actions after TVET Bill has been passed*
11. Bibliography

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