

**OECD/DEPARTMENT of EDUCATION and SCIENCE, IRELAND**  
**INTERNATIONAL COLLOQUIUM ON BUSINESS-EDUCATION PARTNERSHIPS:**  
**Learning from the world of work**  
**Dublin, January 24-25 2005**  
**Chair's summary**

Ministers, officials and representatives of the social partners from OECD countries held a colloquium on business-education partnerships in University College, Dublin, Ireland on January 24-25 2005. The purpose of the meeting was to initiate dialogue on this issue and share policy ideas between countries and among stakeholders. This took place against a background of a growing and fast-changing role for knowledge and learning in OECD economies.

In opening addresses, H. E. Mary McAleese, President of Ireland, pointed to exclusion from education as a global problem, and key cause of poverty, and, conversely, to the key role of human skills – particularly the growing skills of women and poorer people - in the recent economic transformation of Ireland; Mary Hanafin TD, Minister for Education and Science, Ireland reminded the meeting of the scale of the challenge for education systems in responding not only to the requirements of fast-changing economies but also rapid social evolution; Berglind Ásgeirsdóttir, Deputy Secretary General, OECD, emphasized the challenge of ageing labour forces in many countries and the need to work across institutional boundaries to meet this and other challenges.

The colloquium was organized in three sessions. The first two sessions were chaired by Mary Hanafin, and the third by Micheál Martin, TD, Minister for Enterprise, Trade and Employment, Ireland. Key points made by participants were:

### **Session 1. What the world of work needs from education**

- It might be impracticable to predict skills demands far into the future, although education systems should be adaptable in response to changes in current demand – for example through short, modular courses.
- The social partners, particularly education and employers, need to work together more effectively, overcoming mutual suspicion, promoting dialogue, and identifying and achieving common ends.
- Education should strike a balance between meeting the needs of the labour market and the development of more general social and individual skills. Education systems should also promote the general attributes needed by knowledge-based economies – such as the ability to adapt and develop new skills, entrepreneurial and risk-taking attitudes, and moral and civic qualities.
- Education systems need to be ready to respond to shortages of science and technology skills. The OECD Science and Technology Ministerial in January 2004 underlined the problem of such shortages in the face of increasing worldwide competition for researchers and information technology workers.
- Some participants stressed the need for enterprises to adopt new work and organisational approaches to make the most of educated human capital, such as flatter management, teamwork, flexible work time, and family-friendly practices.
- Flexible arrangements are required for students to obtain practical work experience – these include apprenticeships, combined work/study programmes and gap years.

### **Session 2. The role of on-the-job training**

- On-the-job training should be a key part of any national strategy to compete in the global economy, deal with labour shortages and improve employment outcomes. Yet there exist significant barriers to training, affecting, in particular, disadvantaged groups such as the low-skilled, older workers, aboriginal communities, unemployed youths and workers in small firms.
- Recognition and accreditation of skills are essential to overcome these barriers. However, the skill categories used in the labour market do not always match those of education bodies. A key practical challenge is that of keeping the list of accredited competencies up-to-date in a flexible manner. Some standardisation of generic skills could be achieved, but for sector- or firm-specific skills standardisation can be more problematic. The extent to which skills, once accredited, should be reflected in higher wages remains a controversial issue.

- Co-financing is also important. Tax-credit systems, bilateral (employer-employee) training funds, learning time accounts, wider possibilities to combine part-time learning with part-time work and the involvement of local or regional authorities were cited as examples. Any financing initiatives should be properly evaluated taking into account the impact on labour costs. In any initiative, government should provide adequate support to the most disadvantaged.
- There is no necessary contradiction between training for labour-market purposes and general learning: there are strong complementarities between the two types of skills. The key requirement is practical solutions adapted to the needs of target groups.
- Cooperation between business and workers' organisations can be effective in enhancing the incentives to invest in training.
- Several delegates invited OECD to further explore these important issues.

### **Session 3. Developing new links between the worlds of education and work**

- Learning should be seen as a continuum. Smooth functioning depends on cooperation between education institution, government and employers.
- The knowledge economy has NOT downgraded the importance of vocational/apprenticeship programmes; rather the reverse. There is interest in some countries in expanding apprenticeship into emerging occupations. This is particularly true in the case of at-risk populations.
- That said, the knowledge society and new phenomena such as e-learning change the content and means of learning. In attempting to identify new skill requirements and map out strategies for developing skills, we need to avoid excessively rigid qualifications and dead-ends for individuals.
- Employers expressed the view that formal education institutions have been slow to react to a more volatile, competitive and demanding external environment; employers may have advice to offer on changes in skill requirements and how they might be met; but they also can offer advice on survival in a changing environment: how to change governance, how to be more adaptable, and how to improve performance.
- Managing this continuum requires a complex process of collaboration involving many different actors, occurring at multiple levels; but it can be time consuming, and sometimes difficult because of suspicions among different actors. New bodies and mechanisms are emerging for doing this, such as sectoral organisations in the Canadian province of Manitoba, and the industry-university consortia in Korea.
- These collaborative arrangements are important because they can compensate for the weaknesses of reliance on market forces alone.
- To be sustainable, partnership requires: national coordination; negotiation and agreement among all players; there is a need to get multiple players to the table at an operational level to identify mutually beneficial strategies.
- Planning and decision-making in such partnerships works well when it is pragmatic and based on short-term developments, rather than long term forecasts. Different actors work against different time horizons. That said, it is important to remember that knowledge society is a volatile environment.
- It is essential to keep in mind that the new skills and competences that individuals acquire in the knowledge society create value only when ultimately they are applied in the workplace. This is the test that new collaborative arrangements must pass. It is important as well to gather evidence on whether and how acquired skills are applied.
- OECD should follow-up on these issues, including through the new international assessment of adult skills.