Reviews of National Policies for Education

Education in Indonesia

RIISING TO THE CHALLENGE

Having made impressive progress in widening access to basic education, Indonesia must now consolidate these gains and develop an education system to support the needs of the economy in its transition towards high-income status. This report highlights three main policy directions which, pursued together, would help Indonesia advance on the path towards stronger growth and more inclusive and sustainable development.

The first priority is to raise the quality of education and ensure that all learners acquire the skills they need to succeed in life and work. The second goal is to widen participation, requiring a concerted effort to improve access for disadvantaged groups and expand provision beyond the basic level. The final challenge is to increase efficiency, with a more data-driven approach to resource allocation, better tailoring of provision to local needs, and stronger performance management.

This report was financed by a grant provided by the Analytical and Capacity Development Partnership, a facility supported by the Government of Indonesia, the Government of Australia, through Australian Aid, the European Union (EU) and the Asian Development Bank. Additional in-kind support was provided by the Care Inspectorate, Scotland and the Islamic Development Bank (IDB).

Contents

Executive summary
Assessment and recommendations
Chapter 1. The Indonesian education system in context
Part 1. Education sub-sector opportunities and challenges
Chapter 2. Early childhood education in Indonesia
Chapter 3. Basic education in Indonesia
Chapter 4. Senior secondary education in Indonesia
Chapter 5. Initial vocational education and training in Indonesia
Chapter 6. Tertiary education in Indonesia
Part II. Cross-cutting opportunities and challenges
Chapter 7. Education for life, work and further learning in Indonesia
Chapter 8. Teaching and educational leadership in Indonesia
Chapter 9. Appropriate educational assessment in Indonesia

Consult this publication on line at http://dx.doi.org/10.1787/9789264230750-en.

This work is published on the OECD iLibrary, which gathers all OECD books, periodicals and statistical databases.

Visit www.oecd-ilibrary.org for more information.
Executive summary

Education and skills are central to Indonesia’s growth prospects in the next decade. It now has the opportunity to capitalise on the very substantial progress that has been made in expanding access to education. At the turn of the century, over 1.5 million students were out of school but today, Indonesia is close to achieving universal basic education. These efforts have involved relatively high levels of investment on educational facilities, teaching personnel and learning materials.

The challenge is to consolidate these gains and develop an education system that will better support the needs of a rapidly emerging economy in its transition towards high-income status. This requires Indonesia to turn its attention to three main goals: raising quality, widening participation, and improving efficiency.

Raising quality and enhancing relevance

PISA shows that Indonesian students are performing some three years behind the OECD average. Over 50% of Indonesian fifteen year olds do not master basic skills in reading or mathematics. Raising performance in Indonesian education is crucial to meeting the challenge of reaching a high income status.

The top priority for Indonesia is therefore to improve learning outcomes and to enable students to form core skills and understanding. Additional support will be needed to address low levels of student readiness and motivation. The key to success will lie in addressing teaching and school leadership standards. Teachers need support in order to develop greater professional capacity and be held more accountable for the results they achieve. Pre-service teacher education and especially in-service professional development of teachers need major improvement.

Assessment processes should inform teachers, parents and policymakers about how well students are learning, and how different schools are performing against a national framework of educational standards. National
public examinations need to be improved but more diverse assessment methods are also necessary, especially formative assessment in classrooms.

In school and beyond, closer attention should be paid to the relevance of education to employment and economic development. Indonesia needs a more diversified and nationally co-ordinated system of vocational education with a high level of employer engagement. It will also require new steering mechanisms to increase linkages across government portfolios and between levels of government, and raise community esteem for technical education and training.

Indonesian universities attract fewer foreign students than other ASEAN countries. Many higher education institutions are unaccredited and there is an acute shortage of advanced human capital. Accreditation capacity must be strengthened and stronger regulation is needed to address low quality providers. In view of the high costs involved and the relatively low strengths of Indonesian institutions against world benchmarks, it will be necessary to take a focused approach to investment in and internationalisation of research capacity among universities and institutes of technology.

**Improving equity at all levels**

In line with the government’s commitment to equality, a concerted effort will be required to further improve access and offer more and better opportunities in communities where participation in basic education is low. Indonesia needs to begin by extending access to early childhood education and improving quality through nationally promulgated standards, stronger provider licensing, and the development of a specialist cadre of supervisors for this level of education.

Increasing participation in senior secondary education is vital for Indonesia: currently fewer than one-third of Indonesians complete secondary education. Increasing this proportion necessitates increasing its relevance to the life, work and further learning prospects of students. This in turn means paying greater attention to the development of cognitive and interpersonal skills. It will also be necessary to allow students flexibility to enter, exit and re-enter education depending on their financial and social circumstances, and to create pathways between academic and vocational tracks.

The increasing scale and diversity of student demand for higher education requires a more diversified structure of supply. The expansion of polytechnics and community colleges is an important step in the right direction. Funding sources will also need to be diversified and incentives created for higher institution collaboration with business and industry. An
expansion of scholarship support is required to increase access for students from poorer backgrounds.

**Increasing efficiency and effectiveness**

Indonesia devotes 20% of government expenditure to education. Capitalising on this investment implies increasing efficiency. This will require a more transparent and data-driven basis for assigning resources, better tailoring of provision to local needs and circumstances, and stronger performance management. It will also require further efforts to build capacity at regional and district levels to implement and monitor education reform. The recent decision to expand universal participation in education from 9 to 12 years will necessitate careful trade-offs, calling for much greater effectiveness in the deployment of teachers alongside a better alignment of the breadth of programme offerings with the scale of student enrolments at district levels.

A concerted effort will enable Indonesia to build on past progress and develop a more advanced, diversified and inclusive economy, which will be more competitive on the global stage. This is essential if Indonesia is to meet the needs and aspirations of its large, diverse and dispersed population.
Reviews of National Policies for Education

Education in Indonesia

RIISING TO THE CHALLENGE

Having made impressive progress in widening access to basic education, Indonesia must now consolidate these gains and develop an education system to support the needs of the economy in its transition towards high-income status. This report highlights three main policy directions which, pursued together, would help Indonesia advance on the path towards stronger growth and more inclusive and sustainable development. The first priority is to raise the quality of education and ensure that all learners acquire the skills they need to succeed in life and work. The second goal is to widen participation, requiring a concerted effort to improve access for disadvantaged groups and expand provision beyond the basic level. The final challenge is to increase efficiency, with a more data-driven approach to resource allocation, better tailoring of provision to local needs, and stronger performance management.

This report was financed by a grant provided by the Analytical and Capacity Development Partnership, a facility supported by the Government of Indonesia, the Government of Australia, through Australian Aid, the European Union (EU) and the Asian Development Bank. Additional in-kind support was provided by the Care Inspectorate, Scotland and the Islamic Development Bank (IDB).

Contents

Executive summary
Assessment and recommendations
Chapter 1. The Indonesian education system in context

Part 1. Education sub-sector opportunities and challenges
Chapter 2. Early childhood education in Indonesia
Chapter 3. Basic education in Indonesia
Chapter 4. Senior secondary education in Indonesia
Chapter 5. Initial vocational education and training in Indonesia
Chapter 6. Tertiary education in Indonesia

Part 2. Cross-cutting opportunities and challenges
Chapter 7. Education for life, work and further learning in Indonesia
Chapter 8. Teaching and educational leadership in Indonesia
Chapter 9. Appropriate educational assessment in Indonesia

Consult this publication on line at http://dx.doi.org/10.1787/9789264230750-en.

This work is published on the OECD iLibrary, which gathers all OECD books, periodicals and statistical databases. Visit www.oecd-ilibrary.org for more information.