

## LEARNING FOR JOBS: SUMMARY AND POLICY MESSAGES

### The message of *Learning for Jobs*

---

#### *Vocational education and training has been neglected*

---

1. Vocational education and training (VET) can play a central role in preparing young people for work, developing the skills of adults and responding to the labour-market needs of the economy. Despite this role, VET has been oddly neglected and marginalised in policy discussions, often overshadowed by the increasing emphasis on general academic education and the role of schools in preparing students for university education. It has also often been seen as low status by students and the general public. As a result, comparative policy analysis is undeveloped, and there are very limited data available, especially data that can be reliably compared across countries.

---

#### *Strong vocational programmes increase competitiveness but many programmes fail to meet labour market needs*

---

2. Increasingly, countries are recognising that good initial vocational education and training has a major contribution to make to economic competitiveness. Many of the unskilled jobs which existed in OECD countries a generation ago are fast disappearing, either because they have been replaced by technology or because OECD countries cannot compete with less developed countries on labour costs. Instead, OECD countries need to compete on the quality of goods and services they provide. That requires a well-skilled labour force, with a range of mid-level trade, technical and professional skills alongside those high-level skills associated with university education. More often than not, those skills are delivered through vocational programmes. At the same time VET systems face major challenges. Vocational programmes for young people, often rooted in education institutions, tend to develop their own dynamic, and can be too separated from the fast-changing world of modern economies. Recognition of these challenges, and their significance, led directly to the launch of the current OECD review on *Learning for Jobs* (see box).

### Learning for Jobs: the OECD review

The review aims to bridge the gap between learning and jobs, by exploring how to make initial vocational education and training for young people respond better to labour market requirements. It therefore looks at initial VET in schools, colleges, workplaces and other institutions, offering policy messages for all OECD countries, alongside concrete advice on policy reform in reviewed countries. A programme of analytical work drew on evidence from all OECD countries, including a questionnaire on VET systems, literature reviews of previous OECD studies and the academic literature on topics such as costs and benefits, career guidance and VET during the economic crisis. The results of both the analytical work and the country reviews fed into this comparative report, of which an initial version was published on the OECD website in October 2009. A separate OECD exercise on 'systemic innovation in VET', was published as OECD (2009b), while the related *Jobs for Youth* review will be published at the end of 2010.

*Skills Beyond School*, a new policy review examining postsecondary vocational education and training will be launched by the OECD at the end of 2010.

See [www.oecd.org/edu/learningforjobs](http://www.oecd.org/edu/learningforjobs).

Country policy reviews were carried out in Australia, Austria, Belgium (Flanders), the Czech Republic, Germany, Hungary, Ireland, Korea, Mexico, Norway, Sweden, Switzerland, the United Kingdom (England and Wales), and the United States (South Carolina and Texas) between the end of 2007 and 2010. Special studies were also conducted in Chile and the People's Republic of China. Canada, Denmark, Finland and the Netherlands have also contributed financially to the work.

---

#### *This review proposes reforms designed to bridge the gulf between learning and jobs*

---

3. This review makes a sequence of linked proposals to bridge the gulf between learning and jobs, and to connect initial vocational education and training for young people more fully to the needs of the economy. In summary, this means making sure that provision in vocational programmes reflects fast-changing employer needs, as well as student preferences and the inertia of existing provision. It means building a foundation of basic and transferable skills into vocational qualifications, to reflect a world of career flux and development rather than one job for life. It means renewal of the career guidance profession to deliver active guidance for all young learners, well-informed by knowledge of the labour market and vocational as well as academic pathways. It means ensuring that teachers and trainers in vocational programmes have up-to-date industry experience. It means making the fullest use of the workplace as a quality learning environment. It means better data, especially to show where learning leads to good jobs, and where it does not, and more consistent assessment and qualification frameworks to improve transparency of the system. Above all it means an effective partnership between government, employers and unions to ensure that the world of learning is connected at all levels with the world of work.

---

#### *The economic crisis has created new pressures*

---

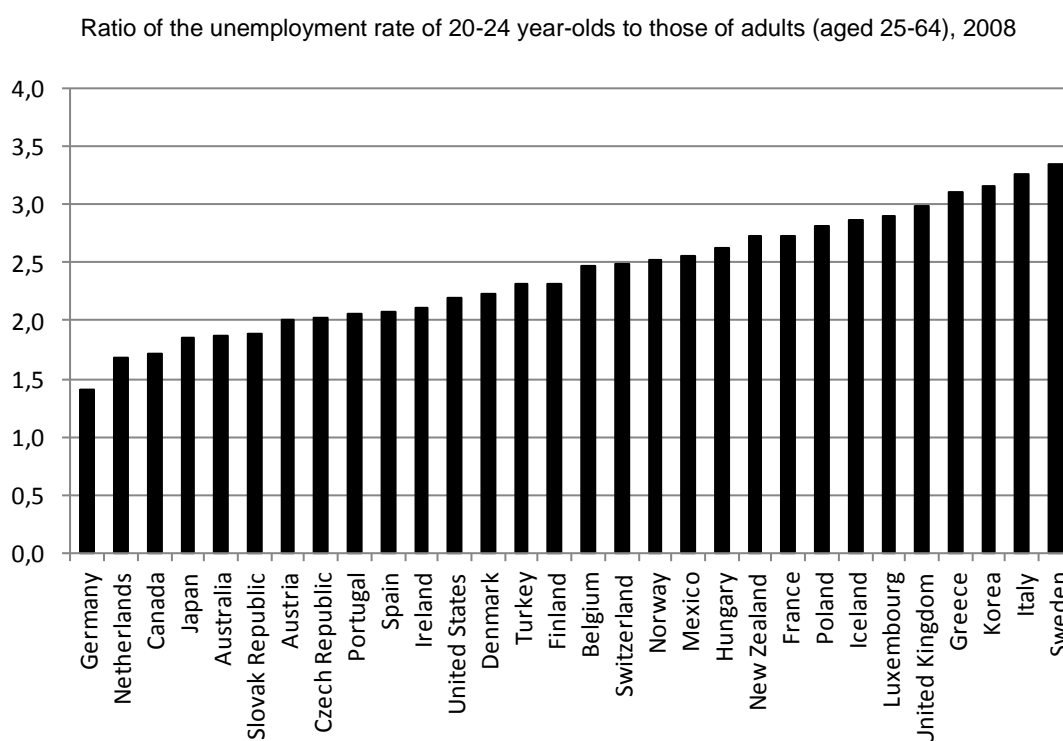
4. A global economic crisis developed while this review was underway, casting a new and sometimes different light on the issues examined. Newer cohorts may find that hard pressed employers concerned by their immediate survival are less willing to offer workplace training. Fewer jobs mean that potential learners are keener to remain in, or take up full-time education and training. At the same time public expenditure pressures, sharpened by the crisis, make it harder to accommodate the increased demand. VET systems will also need to provide the skills needed for the future rather than the past – a particularly demanding challenge in the face of painful and rapid economic restructuring. Some opportunities may nevertheless emerge, for example to redeploy the practical skills of those leaving industry as teachers and trainers.

## Why and how should government support initial vocational education and training?

### *Public investment in initial VET can deliver good economic returns*

5. While governments provide basic education, much occupation-specific training is provided by employers. But there are some good arguments for governments to augment such provision with publicly supported vocational programmes for young people. A number of obstacles mean that employers, if left to themselves may not provide their own employees with sufficient training, particularly in transferable skills. Initial VET is designed to fill the gap by providing the needed skills, and research has shown that it can yield good economic returns from the public investment involved. Countries with strong initial VET systems, like Germany, have been relatively successful in tackling youth unemployment (see figure 1).

**Figure 1 Relative unemployment of young adults**



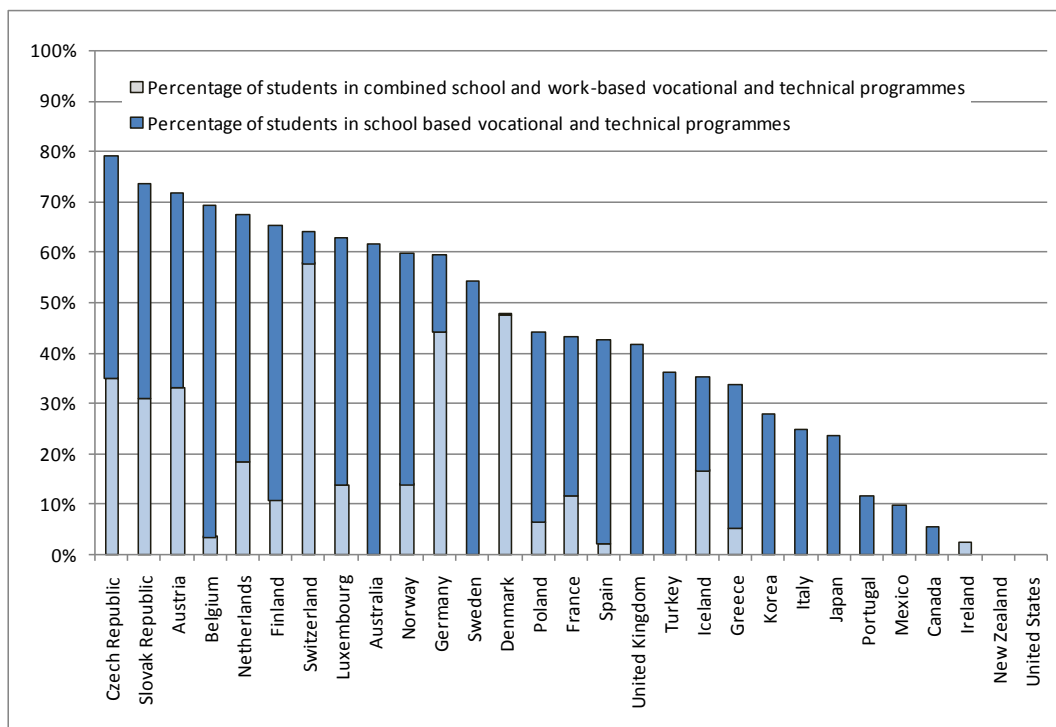
Source: OECD labour data base

### *In some countries young teenagers enter vocational programmes; others leave it to the postsecondary phase*

6. If vocational training is to be a component of an education and training system for young people at what stage should it be introduced? In Austria would-be apprentices choose their target occupation during a pre-apprenticeship year when they are only 14 years old, and in many countries 14-16 year olds enter vocational programmes with a target occupation already chosen. Proponents argue that this engages young people who are less academically minded in practical tasks and supports their transition to work. Opponents point to the difficulty faced by adolescents in making considered career choices, and the way in

which practical training at this stage can crowd out the broader academic skills that facilitate lifelong learning. Figure 2 reflects these differences of approach, with widely varying proportions of the cohort in vocational programmes at upper secondary level. At the opposite extreme to Austria, in the United States, although many high school students pursue some vocational programmes, they are very often modest programmes designed to explore career options, and occupational specialisation tends only to take place in postsecondary programmes, (if then).

**Figure 2. Vocational education and training as a share of the upper secondary sector (ISCED 3), 2006**



Source: OECD (2008), *Education at a Glance 2008: OECD Indicators*, Table C1.1, OECD, Paris.

Note: These figures exclude the many programmes which include vocational or technical options and modules, but not in sufficient weight to be classified by the country as vocational education and training programmes. Figures for New Zealand and the United States are excluded, recognising, in the United States, the rather different approach to vocational education and training in US high schools (see box 1.3).

Note: In Hungary, the Ministry of Education assesses the share of students participating in vocational training schools/institutions as 23% in 2007/8.

---

*Alongside immediate job skills VET students need the wider competencies to sustain career development*

---

7. In the 21<sup>st</sup> century, those entering the labour market need immediate job skills, but they also need a range of career and cognitive competences that will enable them to handle changing jobs and career contexts and to sustain their learning capacity. Nearly all countries report substantial career flux and development, so that those vocationally trained for one job often find their way into others. Programmes involving early specialisation therefore need to be balanced by sufficient attention to general academic skills, as well as other wider soft competencies, to provide the foundation for lifelong learning, effective citizenship, and a successful career. Workplace learning can play an important role here, since workplaces are a favourable learning environment for the development of many soft skills, and the blend of school and

workplace learning is a powerful and effective method of preparing young people for jobs. Such approaches, including the dual system, have a particular value when labour markets are highly regulated, and they do appear very effective at securing smooth initial transitions into the labour market, as highlighted in the OECD *Jobs for Youth* review.

---

*Upper secondary vocational programmes often need to prepare students for further study as well as for jobs*

---

8. Historically, many vocational programmes were conceived as a stepping stone to a single target occupation. But increasing educational opportunities have challenged this. More and more young people, including students in vocational programmes, now expect to enter tertiary and other postsecondary education. For example one-quarter of Dutch upper secondary vocational students continue into tertiary VET, and around three-quarters of Korean upper secondary vocational students do so. To reflect this new reality, such programmes must be designed not only to prepare students for the labour market, but also for entry into tertiary education. This means ensuring sufficient attention to general academic skills as well as practical skills, in these programmes.

---

*Numeracy and literacy skills require systematic assessment to provide support for those who need it*

---

9. Among general academic skills, numeracy and literacy are of increasing importance in the labour market, and weaknesses in these fields are very common among those in vocational programmes. Such problems (often unrecognised) may increase the risk of drop-out, and reduce the prospect of further career development and lifelong learning. Vocational programmes need to give sufficient weight to these skills, and students should be systematically assessed at the point of entry to vocational programmes so as to ensure a basic minimum of skills and identify those in need of targeted support.

### **Meeting the needs of the labour market**

---

*The mix of provision in vocational programmes needs to balance student preference and employer demand*

---

10. All VET systems need mechanisms to make sure that the number of people trained in different occupations matches labour market needs - so that, for example, the number of trainee plumbers for example, matches the demand for plumbers. Student preferences are relevant, but such preferences on their own are usually not enough. And while employer needs are important it is not always easy to establish what those needs are, or how they will evolve. Publicly funded provision needs to serve the interests of the whole society by balancing student preference and employer demand. Ideally, vocational programmes should include an element of workplace training because, apart from the learning benefit, employers' willingness to provide such workplace training reflects labour market demand for the skills acquired in the VET programme.

---

*But this balance also depends on the funding provided by government, student and employers*

---

11. The mix of provision should also reflect the (informed) career preferences of students particularly if students bear all or most of the costs. Conversely, where employers fund the training, they will naturally expect to decide what is taught. Between these two extremes, there are many models of mixed support for training from government, students and employers.

## Career guidance

---

*As careers diversify, career guidance is becoming both more important and more challenging*

---

12. More complex careers, with more options in both work and learning, are opening up new opportunities for many people. But they are also making decisions harder as young people face a sequence of complex choices over a lifetime of learning and work. Helping young people to make these decisions is the task of career guidance.

---

*But career guidance has serious weaknesses in many OECD countries.*

---

13. But in many countries career guidance faces a number of challenges: too often those offering guidance are inadequately acquainted with labour market issues, with career guidance sometimes playing a subsidiary role to psychological counselling; guidance services can be fragmented, under-resourced and reactive, so that those who need guidance most may fail to obtain it; advice sometimes lacks objectivity because guidance personnel are based in education institutions with a pro-academic bias; relevant labour market information is not always available or readily digestible and comprehensible; and the evidence base on 'what works' in careers guidance is too weak.

---

*Career guidance needs to be coherent, well-resourced, proactive, objective, and well-supported by evidence.*

---

14. Where such weaknesses exist substantial reforms are required. There needs to be a coherent guidance profession, with personnel experienced in labour market issues and separated from psychological counselling. Guidance needs to be adequately resourced, with some assurance of pro-active one-to-one delivery of guidance at key career decision points. Guidance personnel need to have an independent base to underpin their objectivity rather than being part of teaching institutions, and they need to be able to call on a wide range of information and web-based material. Strong links between schools and local employers are very important means of introducing young students to the world of work. The whole needs to be underpinned by a stronger base of evaluation evidence.

## Effective teachers and trainers

---

*VET teachers and trainers need to be familiar with the modern workplace*

---

15. As in general education, the key element in a good vocational programme is good teachers. As the current workforce ages, many countries are facing a shortage of teachers and trainers in VET institutions. Some teachers and trainers also lack recent workplace experience. Flexible pathways of recruitment should be encouraged, designed to facilitate the entry of those with industry skills into the workforce of VET institutions. Part-time working should also be promoted, with trainers in VET institutions working part-time in industry, thus sustaining their industrial know-how.

---

*In industry, those who supervise trainees and apprentices need preparation for the task*

---

16. In industry, a different problem emerges. Trainers and supervisors of apprentices and trainees in companies often have no specific pedagogical training or other preparation, although research evidence

shows that such preparation has positive outcomes. Appropriate pedagogical and other preparation for supervisors of interns, trainees and apprentices in workplaces should be provided, adapting the level of preparation to the nature of the workplace learning being provided.

## **Workplace learning**

---

*All VET systems need to take full advantage of workplace learning*

---

17. Most vocational programmes involve some element of workplace learning, although sometimes this component is small or even non-existent. Workplaces provide a strong learning environment, developing hard skills on modern equipment, and soft skills through real world experience of teamwork, communication and negotiation; workplace training facilitates recruitment by allowing employers and potential employees to get to know each other, while trainees contribute to the output of the training firm. Workplace learning opportunities are also a direct expression of employer needs, as employers will be keenest to offer those opportunities in areas of skills shortage. Apprenticeship – one common model of workplace training – can be an outstandingly effective form of vocational training. Collectively, these arguments are so powerful that all VET systems should aim to make substantial use of workplace training.

---

*Quality control of workplace learning is essential*

---

18. The benefits of workplace learning depend on its quality. In the absence of quality control, workplace training opportunities for young people can degenerate into cheap labour, or involve very narrow and firm-specific skills. Quality control may involve contractual arrangements setting out the rights and obligations of trainee and employer, inspections, self-evaluation and effective assessment of the skills acquired through training.

---

*A range of incentives help to sustain the commitment of students and industry to workplace learning*

---

19. Workplace learning also requires adequate support and interest from both industry and students. This means adequate incentives for employers to offer training places,. Countries use many types of financial incentives, including direct subsidies, special tax breaks and arrangements to share the burden of training between a group of enterprises. In the aftermath of the financial crisis, and an economic downturn in many OECD countries, special support measures have sometimes been necessary.

## **Tools to support the vocational education and training system**

---

*VET systems need to engage key stakeholders, and the information to make the system transparent.*

---

20. VET systems do not exist in isolation; their effectiveness depends on their links to the labour market. This implies two types of supporting arrangements. First we need tools to engage the key stakeholders in VET – in particular so that employers can explain the skills that they need, and negotiate the provision of these skills with other stakeholders. Second we need information tools so that the value of vocational programmes of study can be identified, recognised and analysed. These information tools include qualification frameworks, systems of assessment, and data and research.

---

*Strong institutions are needed to engage employers, unions and the interests of students in VET*

---

21. The engagement of employers and unions is necessary to ensure that the organisation and the content of vocational programmes meets the needs of employers, students and indeed the wider economy. Typically this means a set of interconnected institutions at national, regional and sectoral levels, engaging the VET system with employers in particular, with clear responsibilities for different elements in the VET system.

---

*Qualifications frameworks can be useful to VET systems, but they need to be linked to other measures*

---

22. Many countries are currently implementing qualification frameworks, or have done so recently. In principle, such frameworks can make VET systems more transparent, so that the value of different qualifications can be more clearly recognised by students, employers and other stakeholders. Strong frameworks should, in principle, facilitate lifelong learning, and improve access to higher level education. But they need to be underpinned by a strong methodology for allocating qualifications to levels, supported by key stakeholders, and backed by complementary measures to unify the VET system and improve transitions in the educational system. Implementing a qualifications framework might therefore be best seen as part of a wider approach to quality and coherence in VET provision.

---

*A standardised assessment for VET qualifications ensures consistency in standards*

---

23. Assessments of core academic skills in schools, and the use of such assessments to evaluate both students and how well they have been taught, are now a matter of intensive debate. Assessments of occupation-specific skills have received less attention, but the issues remain similar. A standardised national assessment for VET qualifications can help to ensure consistency in the *mix* of skills acquired and in the *level* of skills necessary, allow competencies to be acquired in diverse ways, encouraging innovation and efficiency in the acquisition of skills and providing a clear basis for recognition of prior learning.

---

*Better data, particularly on the labour market outcomes of VET, are vital.*

---

24. Information supports the link between vocational education and training and the labour market. It allows students to see their way through a training programme into the labour market, employers to understand what potential recruits have learnt in a programme, and policy makers and training institutions to see whether their graduates are obtaining relevant work. Better information might be provided either through one-off surveys of those leaving VET to establish labour market outcomes, or by tracking cohorts of individuals through VET into employment to map out career histories. Such data need to be supported by the institutional capacity to analyse and make use of the data – for example in national VET research centres.



## **Policy recommendations**

---

### *Provide the right mix of skills for the labour market*

---

1. For vocational programmes beyond secondary level, share the costs between government, employers and individual students according to the benefits obtained.
2. Provide a mix of VET training places that reflect both student preferences and employer needs. Achieve this through the provision of workplace training and through planning and incentive mechanisms.
3. Engage employers and unions in curriculum development and ensure that the skills taught correspond to those needed in the modern workplace.
4. Through VET systems, provide young people with the generic, transferable skills to support occupational mobility and lifelong learning, and with the occupationally-specific skills that meet employers' immediate needs.
5. Ensure all students in vocational programmes have adequate numeracy and literacy skills to support lifelong learning and career development. Identify and tackle weaknesses in this area.

### *Reform career guidance to deliver well-informed career advice for all*

---

1. Develop a coherent career guidance profession, independent from psychological counselling and well-informed by labour market information.
2. Provide adequate resources for guidance and pro-active delivery.
3. Ensure an independent base to support objective career guidance.
4. Provide good sources of information about careers and courses.
5. Build a comprehensive framework of guidance through partnership with employers.
6. Ensure that career guidance initiatives are properly evaluated.

### *Ensure teachers and trainers combine good workplace experience with pedagogical and other preparation*

---

1. Deliver sufficient recruitment of teachers and trainers for VET institutions, and ensure this workforce is well-acquainted with the needs of modern industry. To this end:
  - Encourage part-time working, with trainers in VET institutions spending some of their time in industry.
  - Promote flexible pathways of recruitment. Facilitate the entry of those with industry skills into the workforce of VET institutions through effective preparation.

2. Provide appropriate pedagogical and other preparation for trainers (including the supervisors) of interns, trainees and apprentices in workplaces, adapting the level of preparation to the nature of the workplace learning being provided.
3. Encourage interchange and partnership between VET institutions and industry, so that vocational teachers and trainers spend time in industry to update their knowledge, and vocational trainers in firms spend some time in VET institutions to enhance their pedagogical skills.

---

*Make full use of workplace learning*

---

1. Make substantial use of workplace training in initial VET.
2. Ensure that the framework for workplace training encourages participation by both employers and students.
3. Ensure workplace training is of good quality, through an effective quality assurance system, and through the provision of a clear contractual framework for apprenticeships.
4. Balance workplace training by other provision (e.g. training workshops in schools) where other learning environments work better, or if workplace training is not available.
5. Devise effective responses to the current economic downturn, to sustain workplace training, and cope with increased demand for full-time VET.

---

*Support the VET system with tools to engage stakeholders and information to promote transparency*

---

1. Engage employers and unions in VET policy and provision and construct effective mechanisms to that end.
2. Systematically engage with employers, trade unions and other key stakeholders to develop and implement qualification frameworks. Strengthen quality assurance throughout the VET system to support qualifications frameworks.
3. Adopt standardised national assessment frameworks to underpin quality and consistency in training provision.
4. Strengthen data on the labour market outcomes of VET, and provide the institutional capacity to analyse and disseminate that data.