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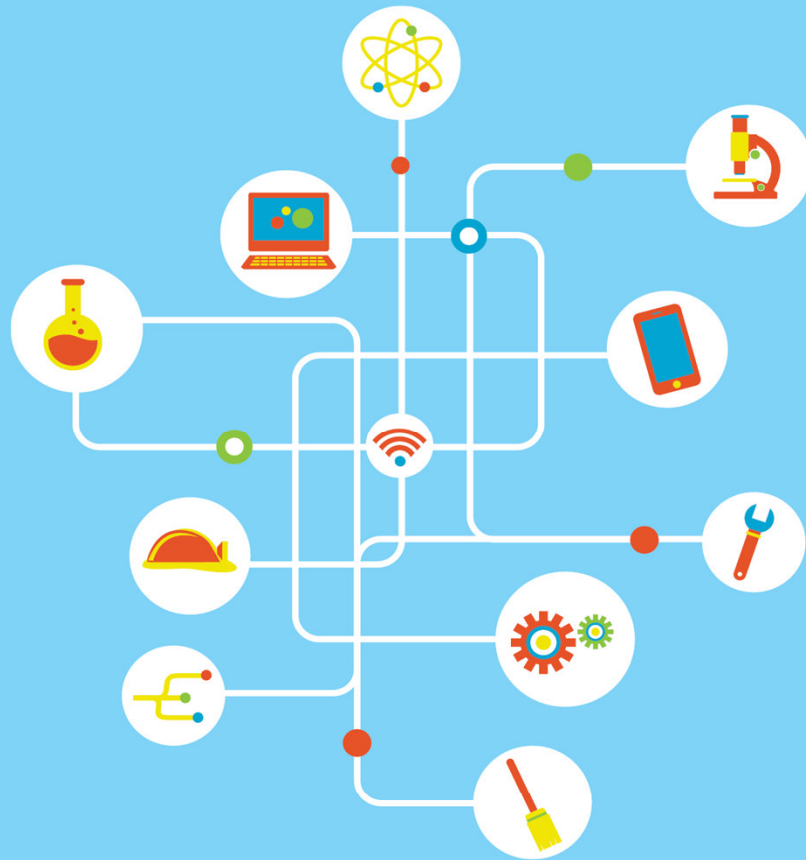
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Effective Employer Engagement: Work-Based Learning and More

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20 September 2016, Session 5





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[Session 5: Effective Models of Employer
Engagement]

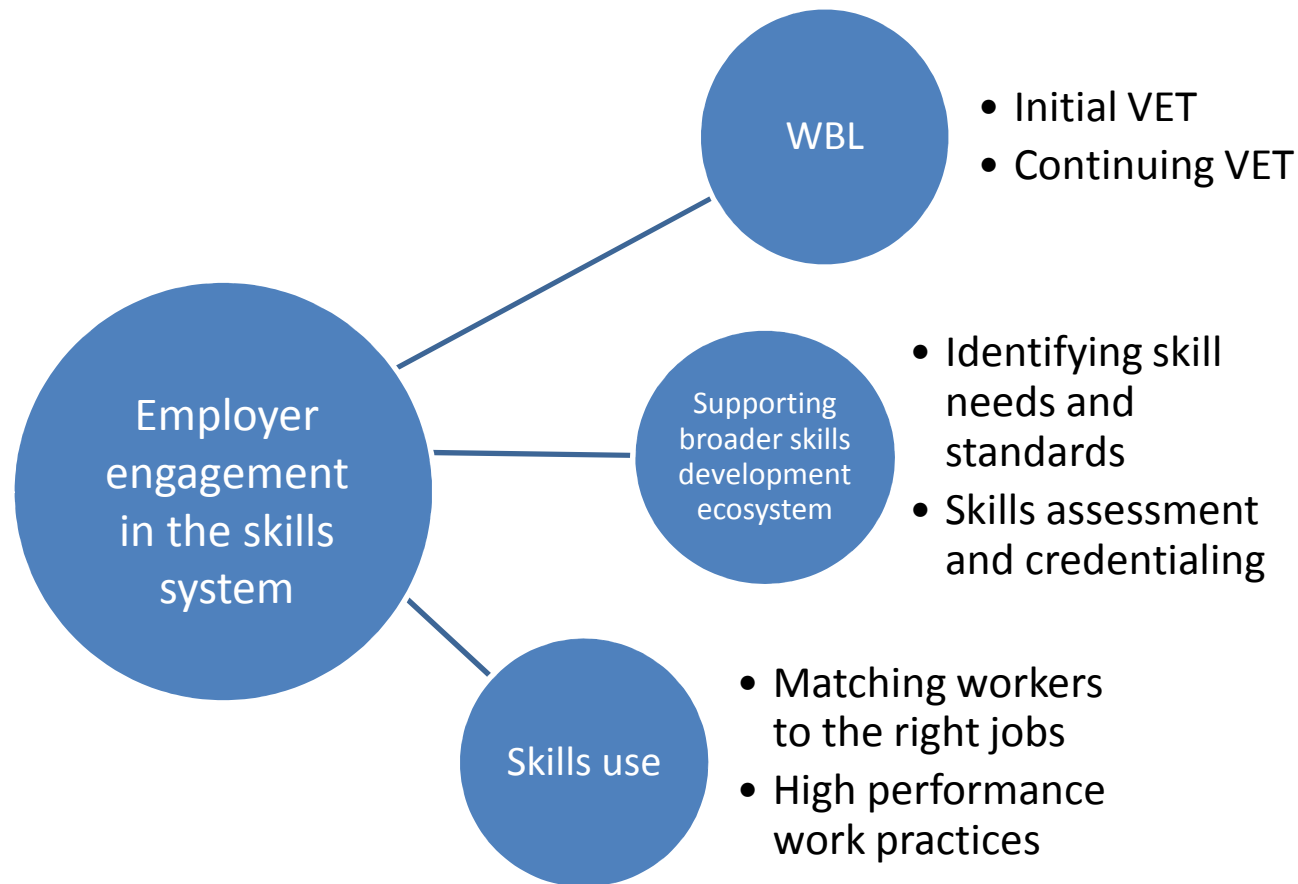


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Bottom Line: Employer engagement is crucial and it extends beyond Work-Based Learning (WBL)



Two caveats:

- Skills alone do not guarantee economic success
- Employers have a lot of other challenges and limited resources



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Work-based learning and employer engagement: Key facts and challenges



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Taking a broader view of training: Work-Based Learning (WBL)

Work-based learning refers to formal and informal **learning** that takes place in a **work environment** which provides individuals with the **knowledge, skills and competences** needed to **obtain and keep jobs** and **progress** in their **professional careers**.

WBL includes:

- Initial vocational education and training (VET), such as apprenticeships, internships, traineeships and work-experience programmes, which are often combined with classroom learning
- Work-related learning for experienced workers (continuing VET)

WBL is especially important in the context of rapid economic, technological and demographic change:

- Changes in the job mix and job skill requirements
- Population ageing



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Key messages from OECD research

- Prevalence of WBL in initial VET shows large cross country differences and is often very low
- Rates of continuing training (upskilling or later skilling) also vary a lot
- Those most in need of WBL, participate less
- It's not just about gaining skills, but also about how to use them in the workplace

Caveat: This research mostly relates to formal WBL in middle and high income countries, but provides useful guidance concerning how best to expand and progressively formalise WBL in developing countries.



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Guideposts for improving work-based learning and employer engagement

- **Adequacy** – Increasing the overall level of WBL
- **Equity** – Expanding the access of underserved groups to WBL
- **Relevance**- Making sure the content of WBL and VET promotes firm performance and economic development
- **Payoff** - Ensuring good skills use in the workplace

NB: These challenges are relevant at all levels of economic development, but take somewhat different forms.



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Making work-based learning work: Good practice examples that mobilise employer engagement



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Ensuring an adequate level of WBL

➤ Skills Development Fund in Singapore

- Training levy scheme that funds an extensive public vocational training system
- Basic idea: Employer contributions provide key financial support for the national skills development system
- Essential to use the funds well (Singapore one of the best)
- Lighter touch fiscal incentives are an alternative (e.g. allowing firms to deduct training costs, even more than 100% as in AUT and NLD):
 - Potentially less tendency to fund inefficient training than with levy schemes (due to cost sharing)
 - But additional measures are needed to reach MSMEs and underserved groups

➤ S-System in Brazil

- The active role played by employers, especially sectoral employer federations, is a key aspect of skills development system in Brazil
- Employers are actively involved in forecasting skill needs and developing a training plan to meet those needs
- Employers also support networks of training institutions (e.g. the non-profit professional schools maintained by the Brazilian Confederation of Industry (SENAR))



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Delivering WBL to the disadvantaged

➤ **Programa Jóvenes con Futuro in Argentina**

- Programme targeted on disadvantaged youth
- A mix of classroom training and on-the-job training (50%-80% OJT)
- Employers apply to participate and, if accepted, are actively involved in developing the curriculum
- Ministry of Labor, Employment and Social Security provides the training and also technical support to participating employers.

➤ **Spring Tide Programme in China**

- Set up in 2014 to provide vocational skills upgrading to rural migrants
- The programme provides:
 - Entrance-level training to middle and high school graduates
 - Skills upgrade training to newly hired rural workers
 - Entrepreneurship training
- Government provides financial incentives to employers and training providers to participate



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Linking WBL to employers' skill needs and economic development

➤ Moradabad Brassware Cluster Skills Initiative in India

- Centuries old export oriented cluster consisting of 5,000 MSMEs relying on predominantly informal skill acquisition
- Growing concerns about an inadequate skills base (loss of competitiveness; low wages, investment and innovation; poor working conditions)
- 2012 Skills Development Initiative led by trade union Hind Mazdoor Sabha with active support of local government and exporters association
- Survey identified skills gaps and training needs, leading to new competency standards, training manuals, functional literacy and numeracy training
- 2014 Survey shows gains in training, productivity, safety and product diversity

➤ POSCO HRD in South Korea

- National programme to facilitate joint training between large companies and SMEs, especially firms in their supply chain (CHAMP) since 2001
- POSCO HRD a good example:
 - POSCO Steel Works in Gwangyang set up a training consortium with its numerous SME suppliers and subcontractors in 2005
 - Provides customised training as well as education on job safety and technical assistance to management



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Improving skills use

➤ Skills Olympics in the Philippines

- Promoting efficiency and good skills development/use by publicising best practice firms
- National competition to designate the MSMEs with the best productivity practices (overseen by the National Wages and Productivity Commission)
- Interested businesses submit applications to regional screening committees which each nominate one firm to the national screening committee
- Winners receive a cash award, the right to use the Productivity Olympics logo and priority access to training programmes and other public services

➤ Enterprise Training Support (ETS) in Singapore

- Introduced in 2013 to supplement already extensive skills development system by helping firms to reap the full benefits of skills investments
- Twin focus is to link skills development to improved firm performance and to assist employers to retain workers that they train
- Capacity building focus with grants and technical advice intended to:
 - Expand employers' capacities to train (training the trainer, adaptation of existing curricula)
 - Improving retention of skilled workers through better HR practices



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Thank You

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