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EXPECTATIONS ON EUROPEAN COOPERATION IN VOCATIONAL EDUCATION AND TRAINING

Executive Summary

In recent years, a number of instruments have been created aiming to increase cooperation and transparency of Vocational Education and Training (VET) in Europe. BUSINESSEUROPE believes that it is time to become more focused on what should be the strategic direction of European cooperation in VET.

The message from companies can be put very simply: it is crucial that Europe has a work force that is mobile and equipped with a set of skills and competencies that are responsive to actual labour market demands. We therefore need transparent and comparable qualifications, irrespective of the way the competencies have been acquired.

In December 2010, the Ministers of Education of Europe will adopt the Bruges review on the Copenhagen process, setting the priorities for European cooperation in VET up to 2020. We expect the Bruges review to outline *how* this cooperation can contribute to such a work force by making use of the existing instruments in a more coherent way than is currently the case.

A key element in achieving the objectives outlined above is to make the shift towards learning outcomes in credit and qualification systems the core priority cutting transversely through all coordination and transparency tools. By increasingly rewarding the actual performance of learners during their training, they will be better prepared for the world of work.

Improving the attractiveness of VET goes hand in hand with increasing relevance and quality of the education, and thus the employability of those undertaking it. Ensuring that VET responds to labour market demand for both specific skills and generic competencies like adaptability, entrepreneurship and creativity will be fundamental also for the innovation capacity of Member States and the EU.

European businesses regard training of their employees an important investment. To further encourage such investments, incentive mechanisms should be created and the bureaucracy surrounding company involvement in training reduced. However, it should be recognised that it is the responsibility of governments to cover the full costs of equipping people with general education and initial skills. Compensating for deficits in such training will seriously hamper the competitiveness of European companies.

By contrast, a strong European cooperation in VET with a high level of interoperability between the instruments of the Bologna and Copenhagen processes could help provide European employers with a competitive work force.



I. Introduction

1. Over the last few years, the European Commission has launched several coordination and transparency tools targeting Vocational Education and Training (VET), in order to implement the Copenhagen process. This process lays out the basis for European co-operation in VET. The instruments are the European Qualifications Framework (EQF), the European Credit System for Vocational Education and Training (ECVET) and the European Quality Assurance in VET (EQARF). They aim to complement the instruments that exist for higher education (HE), namely the Qualification Framework for European Higher Education Area and European Credit Transfer and Accumulation System (ECTS). In order to boost mobility of students and workers, a Europass was introduced as well.
2. Seven years into the Copenhagen process, Council conclusions and a Strategic Framework for Cooperation in Education and Training were agreed on during the Czech presidency. About one year later, on 9 June 2010, the European Commission presented its vision for the development of vocational education and training in the Communication "A New Impetus for European cooperation in Vocational Education and Training to support the Europe 2020 strategy".
3. In December 2010, a review of the Copenhagen process will be adopted, i.e. the Bruges review, setting the priorities for the European cooperation in VET up to 2020. Ahead of the adoption of this document, the Council for Education, Youth and Culture will decide on conclusions concerning the priorities for enhanced European cooperation in VET for 2020.
4. In this position paper, BUSINESSEUROPE outlines its expectations on the cooperation and what key actions the Bruges review should encourage Member States and EU institutions to undertake.

II. Shift towards an outcome based learning

5. BUSINESSEUROPE voiced strong concerns over the complexity of the European Qualifications Framework. Still, we welcomed the tool provided that the reference levels would be expressed in terms of knowledge, skills and competence, i.e. learning outcomes rather than input based measures such as duration of studies.
6. Likewise, BUSINESSEUROPE supported the launch of ECVET under the proviso that it would be fully compatible with EQF and build upon the description of learning outcomes. BUSINESSEUROPE further reminded that its merits needed to be assessed based on whether it would contribute to improve the functioning of labour markets, facilitate the development of lifelong learning and not lead to unnecessary bureaucracy.
7. However, measured against these preconditions, it is clear from the actual outcomes so far that these instruments are still far from delivering. Shifting



towards an outcome-based approach in national qualification systems, through the steps of EQF and ECVET, remains an objective to be fulfilled. In the Bruges review, we expect a clear message that achieving this shift should be the key priority cutting transversely through all coordination and transparency tools.

7. Member States should get the necessary support and guidance to achieve this, while the voluntary nature of implementing these instruments should be respected. For Member States that are already making use of the EQF levels, it is necessary to evaluate whether implementing these has successfully contributed to the use of learning outcomes by education providers, employers and employees. Social partners on European and national level play an important part in the implementation process and their experience of the tool so far should be assessed.
8. There is a high level of agreement on the benefits of shifting from a workload based approach in credit and qualification systems towards one that is based on outcome. Such an approach constitutes a step towards greater openness of standards, learning programmes and qualifications. It follows from this added transparency that national and cross-border staff mobility will increase as well.
9. For employers, building credit and qualification systems on the actual outcome from learning will make it easier to assess what competencies an individual possesses. This will in turn contribute to a better match of supply and demand on European labour markets. It should be said that employers do not reward qualifications. They reward performance. Likewise, the education system should increasingly reward the actual outcome from studies rather than for instance the number of weeks a course comprise.
10. Moreover, the learning outcome approach enables education and training to be better tailored to the needs of individual learners. It also allows for recognition of knowledge irrespective of how it was acquired, including informal and non-formal learning which could take place at a work place. By introducing multiple pathways to formal recognition of knowledge, lifelong learning will be more available to workers.
11. Progression opportunities from VET towards Higher Education (HE) are important and could be facilitated by making more transparent what the learning outcome is of a certain VET education. For an individual who wishes to continue into HE, it should be easy to demonstrate to the people responsible for accrediting within the HE system what skills and competencies that he or she have acquired. EQF could prove a useful tool to increase permeability between VET and HE credit systems, since it makes qualifications more transparent.
12. However, it is imperative that enabling such permeability will not lead to an increased focus on theoretical elements for VET overall, to the detriment of practical training. This is fundamental for VET students to acquire the competencies and skills that will make them employable on the labour market. In some countries, there has been a trend towards making VET more theoretical, with reduced practical training as consequence. In Sweden for instance, a too strong emphasis on the theoretical elements in the education of nurses resulted in the incapacity of newly graduated nurses to give injections.



13. The shift towards an outcome-based learning needs to be promoted more strongly also for higher education. This will enable students to move more easily between VET and HE as the qualification and credit systems of HE becomes more compatible with those of VET.
14. It is also important that the European and national qualifications frameworks are underpinned by robust quality assurance systems. Trust in the frameworks is essential to the guarantee of comparability between awards and of the parity of esteem in the awards provided by different bodies.

III. Enhance quality, relevance and attractiveness of VET

15. Making VET an attractive learning option and increasing its relevance to labour market needs goes hand in hand. If undertaking VET leads to a high employability in a future career, such learning will become a more attractive choice for young people. To this end, VET providers should be more responsive to what specific skills as well as generic competencies that employers are looking for.
16. At the same time, it is not realistic to expect companies to have a crystal ball of labour market needs of the future. The expectations from policy-makers on business to clearly state which competencies and qualifications they need in the long term sometimes tend to reflect an unduly static view of the functioning of the labour market. A job-creating business climate is a dynamic one. Therefore, flexible ways to involve employers should be sought. For instance, companies could be invited to take part in the boards of VET institutions, partnerships between companies and education providers could be encouraged etc. This would allow for a more iterative process of continuously adapting courses to the actual and foreseen needs of employers. In other words, it creates a mechanism for just-in-time adaption of the skills and competencies of learners to the labour market.
17. For the immediate relevance of VET, work place learning is vital. Strengthening the connections between the worlds of work and education will contribute to raising quality, relevance and thus attractiveness of VET. When the Hotel School at City College Norwich re-oriented its academic offering to include more work place learning, the students perceived that their personal qualities like critical analysis, self-confidence, teamwork, negotiating and decision making was improved, according to a study performed by Oxford Brookes University.
18. In a study by Swedish Enterprise from 2007, it was shown that students are generally dissatisfied with the low level of working place relevance of their studies. And the students are right to be dissatisfied. The same study showed that a higher level of work place relevance of studies leads to approximately 80 euros more in the pay cheque each month for new graduates. It also increases the probabilities of acquiring a qualified job in the first place, for instance due to the networks the student acquires during his or her studies. In this context, the costs to employers of compensating for the lack of relevant skills should not be forgotten either.



19. The Commission communication entitled “A new impetus for European cooperation in VET” strongly emphasised the role of VET to reach higher levels of equity in the society. Undoubtedly, it plays an important part in increasing the inclusiveness of the labour market. This part could be played even more efficiently if collaboration between public employment services and VET providers would increase, including for the aim of retraining of unemployed workers.
20. A good example for work place learning is the German dual VET system, which is largely accepted by students/trainees, companies and society. Nearly 65% of all young persons are enrolled in the dual system. Training generally takes place directly at the work place whereas one or two days a week are dedicated to obligatory lessons in a VET-school. These part-time VET schools form a regular part of the German school system. On a company level, an interesting initiative was taken by Skoda Auto in the Czech Republic to establish their own schools and apprenticeship facilities.
21. However, the focus of national and EU-level policies should first and foremost be to improve quality and relevance of VET. In many Member States, VET is struggling with an image problem. In order for such education and training to be attractive as a first and not a secondary study option, it must not be treated like a mere social inclusion instrument by policy-makers. *The upcoming Bruges review should be very careful not to encourage this.* It would send the wrong signal to scholars considering undertaking such education.
22. By contrast, ensuring that choosing VET as a study path does not lead to any dead-ends for further studies would significantly improve its attractiveness. As mentioned in the previous section, permeability between the vocational and higher education systems is imperative to this end. It should also be clearly communicated that many vocational educations and trainings takes place at the higher qualification levels of bachelors and master degrees.

IV. Make better use of VET to boost entrepreneurship and innovation capacity

23. High quality educations that are responsive to labour market needs are indispensable for any innovation system to be successful. Companies need employees who can use their education to solve real-world problems. This explains why generic competencies like creativity, entrepreneurship and adaptability are increasingly valued by employers. These competencies are the main fuel of employee-driven innovation.
24. In other words, VET could play an important part in increasing the innovation capacity of a country. However, the learning methods needs to change to be fit to provide learners with the generic competencies mentioned. In order to foster an entrepreneurial mindset, problem-driven and experience-oriented education where students are learning by doing is vital. Generic competencies should be promoted also at primary and secondary level of school education.



25. Promotion of entrepreneurship should be a horizontal element in VET at all levels, and in all subjects. In some countries, such education is relatively well developed for technical educations. By building on best practices, this should be expanded to all subjects and start already in school. In addition, VET education should raise awareness of students on the possibility of self-employment and provide guidance on how to start up a business.
26. The Bruges review should take on board all these points to encourage Member States to develop the full potential of VET in boosting entrepreneurship and innovation capacity.

V. Put in place incentive mechanisms to invest in and undertake VET

27. The review should make clear that it is the responsibility of governments to cover the cost of equipping people with general education and initial skills, of high quality and relevance. Governments also have a responsibility to put in place efficient retraining measures for unemployed workers. Although companies play a part in further developing the skills of the work force - also in the framework of work place learning in initial VET - they should not have to substitute for the role of governments. The more European companies have to use their resources to compensate for deficits in initial education, the less competitive they will be in relation to companies in other parts of the world with a well functioning infra-structure for this.
28. BUSINESSEUROPE recognises the importance of companies investing in continuous educating and training of their employees. The value that European employers attribute to trained staff was demonstrated in the recent economic crisis. Although forced to take drastic measures to ensure the survival of their business, European companies have taken far-reaching measures to avoid laying off employees, partly explained by the high level of skills and competencies acquired by employees.
29. Over the years 1997-2007, private sector investments in education as percentage of GDP have shown a steady increase, according to Eurostat. Added to this is the working time that employees are allowed to use for training purposes. Two thirds (63%) of employers in the UK see investing in skills as very important to achieving their strategic objectives, according to a 2010 CBI study. Business is also committed to bridging the gap between the worlds of work and education. Over half (56%) of employers according to the same study believe the best thing they can do to prepare young people for the transition from school to working life is to provide opportunities for work experience. The commitment is also reflected in the £39bn per year that business spends on workforce training in the UK.
30. To further increase private sector investments in continuous VET (CVET), policy-makers at a national level should look into how the framework conditions can be improved to stimulate such investments. Good examples of incentive systems exist across Europe, for instance the tax deduction scheme that was



introduced in Spain following the agreements by social partners and the government on “Vocational Training and Employment”.

31. Companies should not be obliged to invest in education and training. Obviously, companies are best suited to decide for themselves how to best use their resources to be competitive and thereby maintain and create jobs. It is crucial that the Bruges review recognises that company investment in training must build upon a voluntary basis, rather than compelling companies to train.
32. Incentives for companies to invest in VET could also be non-financial, for instance enabling flexible learning options. Increased use of ICT to create possibilities for distance learning as well as making education and training accessible through multiple pathways would contribute to flexible and more cost-efficient learning arrangements. Another key action to increase company involvement in training is to strip bureaucracy, for instance surrounding the provision of apprenticeships. This was requested by almost half of employers in the UK. In other words, governments have a lot to do to get their own houses in order. Reducing barriers for companies’ involvement in the education system is a start.
33. The responsibility of employees to invest in training should be stressed, for example by putting their leisure time at disposal. In some cases, company investment in VET is hindered by reluctance of employees to take part in training. A possible option for a shared responsibility could be the use of working time accounts for training or an agreement within the company to split training time into working time and leisure time.

VI. Ensure that cooperation instruments are fit for purpose

33. Along with the launch of instruments aiming to increase European cooperation in VET, it has become clear that more cooperation between the different governance structures is needed to improve the functioning of the cooperation tools themselves.
34. The Copenhagen and Bologna processes cannot continue to develop separately from each other. Instead, interoperability and comparability between the respective instruments should be increased. As already mentioned, progression routes between VET and HE would benefit if the credit systems of the latter increasingly would be built upon learning outcome. In addition, it would help make HE more responsive to labour market needs.
35. BUSINESSEUROPE believes that steps need to be taken to bring the processes closer to each other. This being said, it should be recognised that the Copenhagen process is in a less mature state, with proper functioning of ECVET and EQF still several years away.
36. The real test will be whether the whole framework of European transparency policy for VET and HE has the ability to turn the European learning area into a concrete and living reality. The degree of applicability of this policy is dependent on simple and un-bureaucratic structures for implementation.



37. Referring back to the provisions under which BUSINESSEUROPE initially recognised the potential value of EQF and ECVET, efforts are required to reduce the complexity of their governance structures, including for EQARF. More communication is also needed between different levels (EU, national, regional).



VII. Conclusion

38. With instruments launched that could potentially contribute to a shift towards outcome-based qualification and credit systems, BUSINESSEUROPE expect the Bruges review to make it a priority that these instruments deliver on this objective.
39. Furthermore, we expect it to emphasise that a VET system characterised by high quality and relevance to labour market needs will not only lead to higher employability of the individuals undertaking the education. It will also contribute to coming to terms with the image problem that VET struggles with. To improve the attractiveness of VET, the review should encourage Member States to be careful not to treat it like a mere social inclusion instrument. This would harm the competitiveness of companies and prove counter-productive to increasing equity.
40. The review should also recognise that VET is a good platform for promotion of entrepreneurship. Employees with entrepreneurial skills and a problem-solving capacity play an important part in the innovation process. For this untapped potential to materialise, entrepreneurship needs to be a horizontal element in VET, at all levels, with teaching methods building on learning-by-doing.
41. A clear signal should be sent to national governments to take their responsibility to cover the cost of a high quality and relevant IVET. The more European companies have to compensate for deficits in such training, the less competitive they will be compared to countries with well-functioning infra-structures to equip the work force with the right initial skills and competencies. Policies aiming to further increase the private investment in CVET should build upon incentives and fully respect that company involvement in VET must be a voluntary process.
42. BUSINESSEUROPE recognises the potential that EQF and ECVET could have in shifting towards an outcome-based learning. However, we advise the Commission to be restrictive in creating new instruments before the potential added value from the existing ones has been evaluated. Resources are scarce and should be used to ensure remaining implementation steps of a shift towards national qualification and credit systems based on learning outcomes, in a coherent European framework. In addition, communication and cooperation within and between existing instruments needs to be improved considerably for their objectives to translate into a concrete reality.