

**Vocational education and training in regional networks.
Advisory report on the Cabinet's mid-range policy on Vocational Education and
Training (VET) in the Netherlands**

Summary of the advisory report:

Social and Economic Council Advisory Report *Opleiden is Net-werken, Advies over de koers van het middelbaar beroepsonderwijs en de volwasseneneducatie* [Vocational education and training in regional networks. Advisory report on the Cabinet's mid-range policy on vocational education and training in the Netherlands], publication no. 04/13, The Hague, 17 December 2004.]

Highlights of the advisory report

In mid-2004, the Dutch Cabinet asked the Social and Economic Council to produce an advisory report on its policy document *Koers BVE, Het regionale netwerk aan zet* [Setting the course for VET: It's up to the Regional Network]. In its document, the Cabinet describes how it sees vocational education and training (VET) developing in the next four years. Taking a number of trends in society into account, the Cabinet has put together a policy agenda and action plan that will allow vocational education and training to provide a firm foundation for the knowledge-based economy. In essence, the Cabinet is advancing a new governance system that will give schools more leeway to select their own profile, thereby allowing them to respond more effectively to the wishes of participants (in particular their pupils) and to key into the demand for education in their area of authority, in consultation with their regional partners.

The Council agrees with the main points and targets of the Cabinet's proposed policy on vocational education and training. To achieve these targets, however, the government must become more pro-active. It is important that it continues to involve itself in the content of education and that it identifies performance targets for the sector.

The government should actively support reform in vocational education and training and intervene if the reform measures prove ineffectual. The Council also believes it is the government's task to encourage the active involvement of trade and industry in vocational education and to see that schools and businesses actually commit to any agreements they make.

The Council believes that the reforms being introduced in education will make it possible for the sector to respond more quickly to changes in the labour market. Pupils must have better guidance, in particular if they are members of high-risk groups. More facilities are needed to promote lifelong learning. Ensuring that pupils go on to enrol in three- or four-year senior vocational programmes or to higher professional education will help to advance the knowledge-based economy.

The Council also believes that knowledge will 'circulate' more efficiently if businesses and schools were to base practical training (work placement and apprenticeships) on the

problems and issues that host businesses actually face in their everyday operations. The businesses will benefit from the know-how that education can offer, and the alliances between vocational education and training and trade and industry will be advantageous to both sides. To encourage such alliances, schools and businesses should make firm agreements, businesses should become involved in drawing up the regional vocational training plans, and educational institutions should be held accountable for their performance by their partners in the region. In this way, businesses will come to share responsibility for the performance of the schools. That is why the Council's advisory report emphasises the importance of networks in education, with learning and working being so closely tied to one another that they virtually coincide.

The greater involvement of trade and industry will improve the quality of the practical element in work-study programmes and pupil supervision in the workplace. The number of practical training places may well increase as a result, an important social consideration in view of the large number of job-seekers and low-skill workers, who have every interest in obtaining further training in a work-study programme.

The government can play a vital role by creating the right conditions for upgrading the professional skills of the teaching staff and for improving quality assurance within the institutions themselves. Both individual teachers and the institution as a whole will be encouraged to show more initiative. In the interests of promoting the knowledge-based economy, pupils too must be encouraged to demonstrate more initiative. The Council supports the measures that the Cabinet proposes in this respect in its policy document.

Summary of the advisory report

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1. Cabinet's policy document: It's Up to the Regional Network in Vocational Education and Training (VET)

The Council agrees with the main outlines of the Cabinet's policy on vocational education and training as described in its document *Koers BVE, Het regionale netwerk aan zet* [Setting the course for VET: It's up to the Regional Network].

In its document, the Cabinet describes how it sees vocational education and training developing in the next four years (see insert). During that time, vocational education and training must come to provide a firm foundation for the knowledge-based economy.

The VET system

Vocational education and training (the VET sector) combines senior secondary vocational education (MBO) and adult education. In the Netherlands' state-subsidised education system, senior secondary vocational education follows pre-vocational education or junior general secondary education (VMBO). The VET sector offers pupils initial qualifications to compete in the labour market and, at the most advanced levels, it qualifies graduates to enter higher professional education (HBO). VET is provided by the institutions for senior secondary vocational education (the Regional Education Centres, ROCs).

Within the state-subsidised system, adult education is limited to courses set up to provide students with a solid foundation for secondary and vocational education and to enable adults to function adequately in society (social and life skills). The courses focus on adult general secondary education, broad basic education and Dutch as a foreign language. There are also courses aimed at fostering self-sufficiency. This limited form of adult education is also provided by the Regional Education Centres and by private commercial training and education organisations.

The Regional Education Centres are vital to the Dutch labour market. A total of 400,000 students aged 16 and older are enrolled at such centres, among them 200,000 adults taking basic vocational education courses.

The knowledge-based economy is not only a question of excellence in the upper echelons of society; it also requires broad sections of society to support and to apply innovative ways of thinking and acting. That is precisely why the Cabinet has put the reform of vocational education at the top of its agenda. In terms of the content of VET, reform is needed to improve the quality of the primary process (including the practical element). In institutional terms, it must serve to foster alliances between educational institutions on the one hand and between such institutions and businesses or industrial sectors on the other.

In the Cabinet's opinion, reform in vocational education must involve a closer relationship between education and professional practice. That is the only way to optimise the mixture of learning and working and to safeguard the relationship between the two. Businesses and other employing organisations will naturally have to play an active role in any such measures.

It is the Cabinet's view that the government should give the education sector more leeway. Its policy document therefore does not focus on rule-making, but on fostering a modern relationship between policy-making and everyday practice, based on a new, up-to-date system of governance whereby the regions have more scope to act for themselves. It is also important to make firm performance agreements. In short, it's up to the regional network.

The Council has chosen to comment on the Cabinet's policy document from a broader perspective. The *first* section of its advisory report therefore concerns the context within which VET operates, with the Council identifying the labour market as the most important frame of reference.

The Council then points out that the VET sector is in the midst of introducing important reform measures, specifically the transition to competency-based vocational training and continuous learning pathways. Through these innovations, the education system will be able to key into changes in the labour market more quickly and effectively. The new governance relationships should also help to make the sector more responsive.

The Cabinet has also asked the Council to review four specific aspects of its policy document: the 'circulation' of knowledge; alliances between educational institutions and businesses; work-study programmes; and initiative. These points will be discussed in the *second* part of the advisory report.

2. The context: VET in a changing environment

2.1 The reticent government

The Council believes that the Cabinet has given an adequate description of the general route it intends to pursue in its policy document, but the itinerary itself is still too vague. In addition to its comments on a number of specific aspects of the policy, the Council has two main points of criticism.

The *first* point is that the government should show more energy and perseverance in setting the agenda in education. Its policy document says too little about performance standards for VET. By clarifying which standards apply nation-wide, the Cabinet can help to establish whether individual regions or the regions as a group fall short of expectations at national level.

The *second* point is related to the first point, i.e. that the government must be more outspoken when it comes to its own role in the policy-making process. The government not only has an agenda-setting task, it must also be a facilitator where that is required. Giving regions and schools more leeway does not only mean giving them a larger say in formal negotiations, but also giving them the actual tools that they need to achieve the targets. For this to happen, the central government must be aware of what is going on and lend its support.

The Council also has the following comments to make.

2.2 Put the labour market at the centre

The Council believes that VET should take its cue from the labour market. The demands made by the labour market are changing, both in terms of the kind of knowledge and the level of knowledge required. The VET sector is facing a huge challenge. Increasingly, the skills of those entering many Dutch VET programmes in urban areas fall short of expectations; at the same time, the knowledge-driven economy requires school-leavers to have ever more advanced qualifications. Further problems are the high drop-out rate and the presence of high-risk groups. Education will also have to give working people who want to stay up to date in their profession or obtain an advanced qualification more opportunities to combine working and learning.

The government is right to set ambitious goals for VET, but it has neglected to consider how it will go about making it possible to achieve those goals. For example, it must look more closely at continuing professional development for teaching staff, at the repercussions for the funding system, and at the accessibility of VET for various groups in society, for example young people or adults in employment.

In the Council's view, the Cabinet has failed to clarify its view of the relationship between senior secondary vocational education and adult education, and it urges the Cabinet to act quickly to incorporate the ideas set out in the EU resolution on *guidance throughout life* which was recently adopted by the Member States. Given the huge cost to society of wrong career choices, drop-outs and unemployment, proper guidance easily pays for itself.

2.3 Towards a system of competency-based vocational education

The Council believes that the transition to the new, competency-based system of vocational education poses one of the main challenges for the VET sector in the coming years. The Council sees competency-based vocational education as an essential requirement for a successful transition to a knowledge-based economy, and calls on the various stakeholders to brook no delay in developing and implementing such a system. Competency-based education responds quickly to changes in the labour market; it is transparent for both participants and businesses; and it offers more flexibility in the structure of the education system.

Competency-based education will also require more commitment from the trade unions and employers' associations. In response to the supplementary communication by the State Secretary for Education, the Council notes that the policy document meets an important criterion by formally specifying the responsibility that the trade unions and employers' associations will bear in the procedure. Whether they will be as committed in actual practice depends largely on the organisations themselves and whether they can drum up enough regional support for their input.

The national bodies that represent the three sectors of vocational education (the Centres of Expertise on Vocational Education, Training and the Labour Market, KBBs) and the bipartite committees they have set up will have to take an active role in this regard. Thereafter, the input of the trade unions and employers' associations must be taken into account throughout the rest of the process and when the competency-based qualification profiles are applied in the various programmes and examinations. The functioning of the

institutional setting can be considered at the appropriate time, i.e. when evaluating the new system. All of the various parties must, however, understand that the system of competency-based vocational education will lose much of its value if the trade unions and employers' associations are not actively involved in it.

The Council would ask the Cabinet to stick to its proposed schedule so as to avoid any further delays in introducing the system of competency-based education. If necessary, process management should receive additional support. The Council assumes that the government will accept its role of facilitator in the broadest sense and quickly adjust the legal framework as required. It urges the Cabinet to keep its finger on the pulse and to ensure that the new qualifications structure satisfies the original objectives and quality demands.

2.4 Continuous learning pathways on the occupational ladder

Pre-vocational (VMBO) and senior secondary vocational (MBO) education should offer pupils a 'royal road' to higher professional education (HBO). That means creating more fit between these three forms so that they become continuous learning pathways. Access to the more advanced forms should be within the grasp of the participants, both procedurally and substantively.

The Council believes that the three forms of vocational education provided in the regions, and the teachers working within these forms, should consult one another more frequently. They must form closer alliances and design their programmes in such a way that pupils and students can progress easily from one to the other without encountering any extra barriers.

The introduction of the 'learning career' concept can offer the participants firm support. Applying a range of different tools – for example learning career guidance, APL (Accreditation of Prior Learning) and portfolio methodologies – will ensure a better match between training and education and the abilities and needs of the participants, leading to better performance by the programmes themselves and more participants who go on to advanced levels. A similar policy focusing on the labour market would emphasise the necessity of lifelong learning by encouraging employees to aspire to more senior positions, thereby freeing up more jobs at the lower end of the scale. Moreover, a growing number of adults are finding that they, too, need to combine working and learning to keep up.

The Council would also wish to determine the extent to which the present funding system prevents pupils/students from progressing to more advanced levels.

2.5 New governance relationships

The Cabinet must be praised for giving educational institutions the scope they require to chart their own course. This means that they can take account of the input of their regional partners and key into developments in the regional economy and labour market. They can also experiment with new forms of education.

At the same time, however, there is a risk that the government is understating its own role. The Council believes that the national government must continue to bear primary

responsibility for the results of its policy. It must set the targets for educational output and ensure that enough resources are made available to maintain the state-funded education system. The Council believes that by identifying targets, the government can set the agenda for educational policy, thereby creating a framework within which the regional institutions can operate.

The Cabinet's policy document pays close attention to the necessary horizontal and vertical public accountability, but it remains vague about how the educational institutions are to involve the regional network in achieving their targets. The Council would like to see an official status accorded to the process agreements made within the region, i.e. the agreements reached with trade and industry. It believes it is the governments' task to instruct the educational organisations to involve the regional trade unions and employers' associations in the broadest sense in setting regional targets.

The policy document does not state explicitly enough what the official role of the national government is: how it clarifies its objectives, assesses the overall targets set by the regions and, where necessary, gets the institutions to reflect the aspirations expressed by society. The official status of the regional agreements is also unclear; a non-committal attitude must be avoided.

3. Specific aspects of the request for advice

3.1 'Circulation of knowledge'

The Cabinet wishes to improve the 'circulation of knowledge' between vocational education and businesses. The Council agrees that improvement is necessary. Enhancing the circulation of knowledge may lead to important improvements in vocational education, with beneficial effects for the educational institutions, the businesses and the pupils. The circulation of knowledge may also produce direct advantages for businesses. To get knowledge circulating, it is vital that education and business work together, with both parties being prepared to invest in their alliance.

The educational institutions can contribute to this process in a number of different ways. To begin with, the VET sector can boost the innovative capacity of businesses by providing solid, up-to-date education and by motivating pupils to learn.

The second way they can contribute is through the practical training system. The Council believes that businesses should take better advantage of the opportunities for knowledge-sharing offered by practical training systems. By basing pupils' practical training assignments on problems or issues that it is facing, the business will benefit from the know-how that education can offer. Close cooperation between the school (guidance and support for the pupil) and the business (an interesting training place, proper guidance) can only produce winners. The school makes education more effective, the pupil gains work experience in a positive setting, and the business gets more out of the training place.

Contract teaching is the third way to improve the circulation of knowledge.

As far as the tools are concerned, the Council believes that the most important ingredient for improving the circulation of knowledge is a good relationship between

schools and regional trade and industry. The Council supports the Cabinet's efforts to join up the various measures to promote knowledge-sharing and innovation. However, the distinction between measures focusing on trade and industry and measures targeting vocational education reform must remain.

3.2 Alliance between vocational education and business

The Cabinet is right to emphasise the importance of cooperation between vocational education and business in its policy document. The Council believes that education and trade and industry (the trade representative associations and major companies) should join forces right from the start, basing their alliance on firm agreements. It would be a mistake to only inform trade and industry later, as part of the process of public accountability. The Council supports the view of the *Bve Raad*¹ that it is up to the educational institutions to take the initiative and to direct matters. Trade and industry should be involved in setting the targets at regional level. The Council assumes that the agreements between the education sector and trade and industry will be based on their shared interest in the labour market and that these agreements will be realistic, set out mutual obligations, and be enforced.

The Council has repeatedly pointed out the importance of cooperation, both directly between the parties in the region and at national level (for example in Colo and the KBBs²). Cooperation at national level and with respect to such initiatives as the techno centres requires a form of institutionalisation.

Regional cooperation takes many forms and has many different aims. In the Council's view, it should be compulsory in nature, but the form need not be prescribed. Institutionalisation should be limited to an obligation on the part of the institutions to account for their performance to their partners in the region. Functionality should be the focus of concern both within the cooperative regional alliance and in the account rendered to the region.

The Council believes that businesses should also be instructed to cooperate. If they wish to influence the content and design of vocational education, then they have an obligation to contribute by providing apprenticeship places, work placement places, and so on. Although the necessary steps are being taken, the Council feels that businesses, like the educational institutions, should redouble their efforts to improve the quality of education and the skills and employability of the labour force.

3.3 Work-study programmes

In its policy document, the Cabinet expresses high hopes for work-study programmes. Practical training is a crucial part of such programmes, but for quite some time now there has been growing concern about the number of training places available, the quality of those places and way in which the parties responsible for the theoretical and practical sides work together, or fail to do so.

¹ The *Bve Raad* is the Dutch council for vocational education and training and adult education (BVE). It represents all institutions for secondary vocational education and training and adult education in the Netherlands.

² Colo: Association of Centres of Expertise on Vocational Education, Training and the Labour Market. Colo is the umbrella organisation of and for the centres of expertise. KBBs: Centres of Expertise on Vocational Education, Training and the Labour Market.

The Cabinet proposes various measures in its policy document that will make it an easy and straightforward matter for businesses to offer practical training places and guide the pupils participating in them. The idea is to minimise the number of obstacles that businesses face when seeking accreditation for workplace training without losing sight of the quality of the practical training places on offer.

The Council agrees that the importance of work-study programmes should not be underestimated. This teaching method meets the needs and the potential of a wide range of different groups, for example pupils in vocational education, immigrants seeking to acclimatise to Dutch society, adolescent job-seekers and both employed and unemployed persons who qualify to be trained for an initial job market qualification. The benefits to employers of creating apprenticeship places are many, even though apprenticeships naturally also require the necessary care, attention and time. The advantages should always be emphasised, but at the same time efforts must be made to simplify the procedures for the businesses offering training places while guaranteeing the same level of quality. The Council therefore supports the Cabinet's proposals and offers a number of recommendations that may prove useful when working out the details of its plans.

These recommendations focus in particular on the importance of coordinating the approach taken to different groups, on a skilful distribution of the apprenticeship places (which are few in number), and on the need for the relevant organisations at local and regional level to cooperate and make firm, transparent agreements, including agreements on improving the quality of apprenticeship places. The Council would refer in this connection to the conclusions and recommendations set out in its recent advisory report *Inburgeren met beleid* (Policy on integration, Social and Economic Council, 2003/10 E) with respect to combined language acquisition programmes for immigrants.

3.4 Spirit of enterprise

One important objective in the Cabinet's policy document is to encourage institutions, teaching staff and pupils to show more initiative. The Council was gratified to learn of the measures the Cabinet intends to introduce to encourage a spirit of enterprise among institutions, teaching staff and pupils in the VET sector. The Council expects to issue an advisory report in early 2005 on initiatives in the public service, and this report will also cover the education sector. At present, however, the Council will restrict itself to commenting on the proposals in the Cabinet's policy document.

The *first* comment concerns the work that must be done to prepare and train teaching staff to operate in the new competency-based qualifications structure. Not only do teacher training programmes have to be modified, but teachers already working in the field will have to upgrade their skills where necessary, for example by means of a secondment to a commercial enterprise.

The *second* comment is related to the position of the VET sector in the labour market. The Cabinet unfortunately does not say how vocational education can enhance its position in the labour market, in view of the major 'replacement demand' expected in the education and research sectors in the coming years. The Council would refer in that connection to the approach recently developed by a working party on vocational

education set up by the Innovation Platform (*Werkgroep Dynamisering Beroepsonderwijs*), which may prove highly useful in dealing with this issue.

3.5 Closing remarks

The Council regards it as a positive development that educational institutions are seeking to expand their role as initiators in society. It appreciates the growing trend towards networking in the VET sector. Effective forms of cooperation can only be based on the parties in the region making firm, long-term commitments. That is how educational institutions can express the concept of social responsibility. It is for this reason that the Council has emphasised the importance of regional networks in its advisory report, with learning and working being so closely tied to one another that they virtually coincide.

Translator: Balance Texts and Translations, Maastricht