

Abstract of advisory report:

Future-oriented vocational education Part 2: proposals for strong and innovative vocational education, 2017/09

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Now and in the future, vocational education and training (VET) [*middelbaar beroepsonderwijs, MBO*] faces the consequences of major transitions influenced by advances in technology, robotics, automation, as well as the demands of sustainability. A decline in student numbers due to demographic decline, as well as an aging teaching staff, also represent challenges for VET in the coming years. It is a great challenge for medium-skilled people to remain sustainably employable in the future labour market.

#### **Educating for a profession and for society**

Transitions are setting major challenges for the Netherlands. Dutch VET has a good international reputation. Nearly half of the working population has attended VET. VET not only prepares students for a profession, but also for further education and for being able to fulfil a position in society. Within the sector as a whole, VET plays a pivotal role: between secondary education and higher professional education, between study programmes and companies, and between initial learning of students and post-initial learning and development of the labour force.

#### **More mismatches in the labour market**

The labour market of the future will be increasingly dynamic under the influence of the above-mentioned transitions. This threatens to create more mismatches between supply and demand. These mismatches are expressed, for example, in growing shortages of qualified staff in specific sectors or professions, while in other sectors, jobs disappear as a result of greater automation and use of robots, among other things. Sectors such as the installation sector, construction, care and education are already finding it difficult or even impossible to fill vacancies. In particular, tasks of a more routine nature run the risk of being replaced by automation; for example, some administrative and business-related professions – certainly at the medium-skilled level – are experiencing a reduction in employment.

#### **Agility, resilience and the ability to continue developing**

Knowledge and skills will become obsolete increasingly quickly in the labour market of the future. Agility, resilience and the ability to continue one's development are key skills for sustainable employability and social participation. Not only on the labour market, but also in an increasingly complex society, advances in technology, robotics and digitalisation will penetrate into every area, further raising the level of the basic skills needed to participate. Given the large number of around two million people who already lack basic skills, this is a major societal challenge. The Social and Economic Council of the Netherlands (SER) intends to explore this issue further at a later date, in the light of the policy implemented.

#### **Necessity of lifelong learning and development**

Learning does not stop when a person obtains a diploma in initial education. Everyone is going to have to continue developing during their working lives through informal and formal learning. Particularly for medium-skilled people – specifically those with a VET level 2 qualification – it is a great challenge to remain permanently employable in the

labour market of the future. Managing one's own career and timely refresher training, further training or retraining are indispensable for this. During students' studies, VET must provide them with the skills they need to continue to develop in the future labour market. In addition, there is a huge challenge for VET, in cooperation with the privately-funded educational institutions, to develop a flexible range of courses for workers and jobseekers who want or need to train or retrain in order to remain employable over the long term.

### **Five priorities for strong and innovative VET**

Senior secondary vocational education is well-placed to meet these challenges with confidence. For the SER, building further on the strengths of VET forms the basis of its advisory report. The SER sees five priorities for strong, innovative and future-oriented VET:

1. equipping workers sustainably for the labour market and society;
2. an effective and integrated approach for young people in a vulnerable position;
3. a major role for VET in lifelong learning;
4. strengthening regional, sectoral and national cooperation;
5. encouraging schools to become learning organisations with room for professionals.

### **Recommendations by priority**

#### **Priority 1: Equipping workers sustainably for the labour market and society**

*Focus more sharply on the labour market perspective of educational programmes*

On average, VET is well-tuned to the labour market, with many students finding work within a month of graduation. Concerns now lie mainly with those trained at vocational training [*beroepsopleidende leerweg, BOL*] level 2 in certain sectors: they find it more difficult to find work or are more likely to be unemployed or to work, possibly long-term, on flexible contracts. Graduates (of all levels) of day-release vocational education [*beroepsbegeleidende leerweg, BBL*] are generally doing well in the labour market; unemployment rates are low and they are still working after a number of years. Research has shown that there are large differences between comparable educational programmes at different institutions regarding the extent to which VET graduates find work. Further research is required to gain a better understanding of the causes. The SER advocates placing higher demands on the labour market perspective of educational programmes. The SER sees the possibility of tightening the standards in the Macro-Efficiency (Vocational Education) Act [*Wet op de macrodoelmatigheid in het beroepsonderwijs*], for example by replacing the minimum hours standard by the requirement that an educational programme must lead to economic independence for full-time or almost full-time workers. In addition, the council makes recommendations for a more conscious choice of study programme by students and good career orientation and guidance. Good, structural regional, sectoral and national cooperation between education and business is necessary in order to focus more strongly on the labour market perspective of educational programmes (see also recommendations on cooperation).

#### *Develop the skills of the future*

New students will have to master a wide range of skills in their initial education in order to be agile and resilient in the labour market of the future and in society. In addition to basic skills, specialist professional skills and employee and entrepreneurial skills, students' social and communication skills and their ability to continue developing (learning to learn) are essential for being able to function in the labour market and in society on a long-term basis. It is helpful to many VET students if they can work on their basic skills in a professional environment.

#### *Further develop practice-oriented learning and hybrid forms of learning*

Practice-oriented learning is a key characteristic of VET which offers outstanding opportunities for students to develop the broad range of skills needed and to be properly prepared for future professional practice. A positive development that needs to be encouraged further is the emergence of innovative hybrid forms of learning, in which school-based learning is connected and combined with learning in practice.

*Recommendations for equipping workers sustainably for the labour market and society*

- Place higher demands on the labour market perspective of educational programmes.
- Maintain the initial qualification level but pay extra attention to the study choice of VET level 2 students.
- Offer possibilities for taking extra optional subjects with good labour market prospects.
- Start in good time with career guidance in secondary education.
- Encourage more informed choice of study programme by enabling students to gain more practical experience in the first year of VET.
- Monitor student satisfaction regarding career orientation and guidance.
- Focus more strongly on behaviour of young people with a migration background in choosing study programmes.
- Ensure there is room for learning general skills in the professional context.
- Facilitate the creation of more hybrid learning environments – both in BOL and BBL – in a process of co-creation between schools and businesses, through subsidies for innovative long-term partnerships and by giving time and space to professionals at schools and training companies. In this process, system characteristics of BOL and BBL should be preserved.
- Encourage the creation of more work placements by providing a fixed payment per work placement through the Subsidy Scheme budget. In addition, consider the possibility of providing higher remuneration to first-year students, because they need a lot of support and guidance.
- Pursue work-based learning in VET and Higher Professional Education (HBO) (including associate degree) by developing and expanding continuous dual work-study programmes.
- Support the proposal from the European Commission for a European framework for high-quality and effective work placements.
- Ensure fair remuneration for day-release vocational education students.
- Experiment with more vocational learning in non-vocational general education [*algemeen vormend onderwijs, AVO*].
- Encourage equal opportunities in obtaining work placements by raising awareness of prejudice and actual or alleged discrimination, and inform as many people as possible about the Meldpunt Stagediscriminatie online hotline of the Cooperation Organisation for Vocational Education, Training and the Labour Market (SBB).

**Priority 2: Encourage integrated approach for young people in a vulnerable position**

Attention needs to be paid to all those who have difficulties in obtaining a basic qualification. Their position in the labour market and in society is worrying and, as a result of developments in the labour market, it will only become even more worrying for many of them. The SER sees this as an urgent social issue for which many stakeholders must share responsibility. To this end, new alliances must be found between the stakeholders, such as municipalities and provinces, the Social Security Administration (UWV), preparatory secondary vocational education (VMBO) schools and VET institutions, special secondary education (VSO), vocational colleges and youth care institutions. It is important to identify and maintain a clear picture of this group, and to set up strong support and guidance networks. The SER intends to explore in greater depth the position of vulnerable young people with low literacy after completion of this advisory report.

*Recommendations for an effective integrated approach for young people in a vulnerable position*

- Ensure recognition by employers of the professional certificate proposed in the coalition agreement for students who do not obtain their diploma in an entrance or level 2 course, by involving sectors of industry in developing this certificate.
- Create tailor-made dual educational opportunities (modules with certification) for people without a starting qualification and provide additional public funding.
- Explore the possibilities for extended VET responsibility. The SER advises the Ministry of Education, Culture and Science, in cooperation with the Ministry of Social Affairs and Employment, the VET Council, VET institutions and municipalities, to explore the possibilities for this, including the associated additional funding.
- Urgently tackle bottlenecks that hinder the exchange of information regarding young people in a vulnerable position.
- Encourage good connections and cooperation between education and the social domain by generously supporting a joint approach between ministries, G32 (network of the 32 largest cities in the Netherlands), and other stakeholders.
- Make the 'Boris approach' – developed for helping young people with disabilities find jobs – structural and, together with stakeholders, study whether this approach to gaining practical experience is suitable for further expansion, such as for entrance-level students who cannot obtain a level 1 diploma.
- More money for individual attention, mentoring and coaching to achieve a comprehensive approach. The SER asks the Ministry of Education, Culture and Science to explore how it can support the institutions in meeting the additional needs of this group, while examining the consequences of making the funding of level 2 equal to entrance level funding.

**Priority 3: Major role for VET in lifelong learning and development**

One challenge for VET institutions is to develop further as easily accessible educational centres with a wide range of flexible learning and development opportunities for everyone. What they offer must be well-aligned with the experience and knowledge that participants have acquired in their career up to that point. The privately-funded institutions play a major role in course-based education, in which customisation and flexibility are strong points. Greater cooperation and coordination between publicly-funded and private suppliers is absolutely essential and also possible; there are examples where the two join forces.

*Recommendations for a major role for VET in lifelong learning and development*

- Make national and regional agreements with stakeholders in order to arrive at a strong learning culture in which learning, working and innovating are linked, and to achieve together a breakthrough in lifelong learning and development, in order to guarantee employability and productivity in the future. The SER previously issued this appeal in its advisory report 'Learning and development during career'.
- Work on a flexible range of possibilities for lifelong learning and development by rapidly amending legislation in such a way that publicly funded institutions can offer training that meets workers' learning needs and both publicly and privately funded institutions for VET and HBO are given more room to offer robust learning pathways that lead to certificates recognised by employers.
- An appeal to the education sector and businesses within the SBB to work actively on developing optional modules as an independent certificate for workers who already have a VET diploma. The SER asks the government to facilitate publicly-funded education in making this option possible as well, and to facilitate access for those in work by making it part of the 'personal education account' (right to withdraw 'credit' for publicly funded education), which the SER advised on previously in 'Learning and development during career'.
- Start pilots with certificates for learning pathways at publicly and privately funded institutions to gain experience of the independent use of vocational parts of the qualification structure for further training and retraining.
- Remove obstacles to educational progress in the 'cascade funding' system and involve the education sector and social partners in developing the intention in the coalition agreement to abolish cascade funding.
- Encourage cooperation between VET and private institutions by asking the SBB to bring good examples of cooperation on lifelong learning between regional training centres and private institutions to the attention of publicly and privately funded educational institutions.
- Experiment with demand-driven funding using education vouchers. The SER calls for lessons to be drawn from the current experiments with demand-driven funding in Higher Professional Education (HBO) when further developing this intention stated in the coalition agreement.

**Priority 4: Strengthening regional, sectoral and national cooperation**

*Strengthen cooperation between education and businesses*

VET has long had a strong relationship with professional practice. Educational institutions, in consultation with the organised business community, develop a labour market-relevant range of educational programmes recognised by employers, so that companies and other parties know what qualifications are worth. Due to the speed with which the labour market and society are changing, new efforts are needed to keep study programmes up-to-date. Working, learning and innovating are becoming increasingly interconnected in order to respond to changing circumstances. Due to decentralisation, municipalities have been given greater responsibility for labour market and reintegration policy. In many cases, cooperation between regional and national partners in relation to VET does not get off to a good start or the partners fail to agree. In consequence, opportunities are missed and innovations are not implemented quickly enough. This is sometimes because of a lack of time, resources and commitment, but sometimes also due to legislative pressure.

*Cooperation between education sectors*

Students benefit from good guidance when they transfer between study programmes and between education sectors. Good transfers between education sectors and study

programmes enable young people to develop their talents and to find a suitable place in the labour market. Smooth transfers in education also contribute towards equal opportunities in society. According to the SER, one of the most important bottlenecks hindering a good alignment is the lack of detailed figures at the study programme level on students transferring to the next level of education or dropping out. For VET institutions, there is as yet no information available, either nationally or for each institution, about the educational success of their former students at the HBO level. Another area of concern is that knowledge and experience are still not shared very much between education sectors (VMBO, HAVO, VET, HBO). Sharing knowledge and experience can help to correct inaccurate views on VET and provide students with better advice about further education. Educational institutions should therefore invest in teachers spending time gaining experience in each other's sectors.

*Recommendations for strengthening cooperation*

- Encourage public-private cooperation and renewal by making the Regional VET Investment Fund a structural source of funding in addition to regular funding.
- Strengthen the involvement of stakeholders in the new Quality Agreements in VET. In line with its advice on quality agreements in higher education, the SER recommends that regional and other employers and other relevant players (including the Works Council and the Student Council) play a greater role in concluding the new Quality Agreements from 2019 onwards. For this, see the SER advisory report 'Learning in higher education of the future. Advisory report on the Higher Education strategic agenda' (2015).
- Make use of the brokerage and implementation role of the SBB to encourage national cooperation and to allow innovation from professional practice to trickle down rapidly into education. The SBB will be able to perform its function more effectively if, when carrying out its statutory tasks, it can introduce flexibility into the creation of new qualifications and accreditations of training companies. The SER advises the Minister of Education, Culture and Science to facilitate the SBB sufficiently to this end.
- Set up a service desk for bottlenecks or suspected bottlenecks in legislation. The SER recommends that a service desk be set up for companies, VET institutions and teaching staff that have problems with legislation that stands in the way of innovation. Strengthen cooperation within education.
- Ensure good information for schools regarding the transfer to higher levels. The Minister of Education, Culture and Science, the Netherlands Association of Universities of Applied Sciences and the VET Council are investigating how this information can be developed. This can be done in line with the VMBO 'doorstroomatlas' ['*transfer atlas*'], which gives VMBO students guidance on the paths they can follow in education and training. The figures are highly aggregated, but they give a good picture of transfers between levels of education in the region.
- Ensure more connection between education sectors. The SER recommends that the government provide extra funding for education and that educational institutions at regional or national level make agreements on this with each other.

**Priority 5: Room for the school as a learning organisation**

Future-oriented vocational education can only flourish if the professionals working there are given sufficient room and support and the sector has a sound and well-organised HR policy. The sector faces many challenges and the bar is set high for the professionals working in it. The sector is dealing with a high average age among teaching staff, there is increasing use of temporary staff and the pressure of work is high. In order to meet the challenges, employees need to be given room and encouragement to continue developing; there have to be sufficient numbers of well-trained staff, and measures are needed to reduce the workload. A strong learning culture in schools and in teams should be high on the agenda at VET institutions in order to achieve the objectives and tasks referred to.

*Recommendations for the school as a professional and learning organisation: encourage professionalisation and a climate of team learning*

- Strengthen the teaching and educational skills of work placement trainers and use earmarked public funds for this purpose.
- Give teams space and responsibility. The SER advises institutions to incorporate a policy of professionalisation into their strategic HR policy, with the aim of:
  - meeting the requirements of the Education Professions Act;
  - sufficient professional support and guidance for the education teams;
  - sound policy for the professionalisation of teaching support staff.

The board should set clear frameworks and focus on the team contribution.

- Remove bottlenecks that make it difficult to exchange personnel. The SER recommends that the Ministry of Education, Culture and Science and the VET Council consider whether measures are possible to make teaching in VET more attractive to students and newcomers making a career change. Do this without making any concessions on the quality and level of teachers and in addition to the subsidy scheme that already exists for people making a career change to education.

*Tackle workloads.*

- Act to reduce workloads and set up a working group. The SER advises partners in the region (educational institutions, municipalities and professional practice) to take action together to seek ways of mitigating the regulatory burden. In this matter it is possible to learn from experience elsewhere, such as the 'Onderwijs Ontregeld' project of the Regional Training Centre (ROC) of Amsterdam.
- Take administrative measures. The SER advises the boards to ensure that time and money are made available for professionalisation and a reduction in workloads, so that VET can fulfil its task of providing future-oriented vocational education for diverse target groups, both now and in the future.