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PRIORITIES AND STRATEGIC OPTIONS



It is no mystery what good skills development requires market analysis of employment opportunities, including income generation in the informal sector; skills standards developed in close collaboration with employers; adequate inputs in terms of qualified and up-to-date instructors, equipment, and consumables; quality assurance in testing for competencies acquired; and feedback from the market.

Priorities

The background and in-depth country reports suggest that TVET priorities vary country by country. Appendix 4 summarizes the priorities by country.

Common TVET priorities can also be identified by country group. In general, the top priority in land-rich, low-income countries (group 1) is training for the informal sector, which means rural agriculture and related occupations. Top priorities for the small, vulnerable island countries (group 2) are also for the informal sector, but with special emphasis on delivering services to those in remote places such as the outer islands. Financial sustainability is also a major challenge for this group, making TVET systems affordable in some countries (Tuvalu) and reducing dependence on external financing in others (Kiribati, RMI, and FSM). Where possible, people should be trained to enable them to migrate at higher wages than if they had received no training. The top priorities for the “advanced” island states (group 3) are expanding training for the wage sector and filling vacancies generated through emigration.

Two areas have priority across all country groups—quality improvement and organizational development. Within the former, the principal means is establishing national qualification frameworks (NQFs). These are especially important in countries that export skilled labor. The latter stresses establishing or strengthening apex training organizations and national qualification authorities.

The following sections summarize the identified priorities by country group.

Group 1: Land-rich, Low-income Countries (PNG, Solomon Islands, and Vanuatu)

- Priority 1: Training for the informal sector—mainly rural agriculture
 - (a) PNG—training for the informal sector, integrated support for self-employment;
 - (b) Solomon Islands—training for the informal sector, establishing mobile skills training; and
 - (c) Vanuatu—rural training strategy, developing income-generating programs for rural adults and women.

- Priority 2: Organizational development
 - (a) PNG—creating a stronger national training organization;
 - (b) Solomon Islands—creating a national skills training council; and
 - (c) Vanuatu—strengthening NTC.

- Priority 3: Quality improvement
 - (a) PNG—training fund for improving technical centers and vocational centers;
 - (b) Solomon Islands—creating a national skills training fund, development of instructor training, and improving infrastructure and training equipment; and
 - (c) Vanuatu—improving the quality of RTCs, developing Vanuatu qualifications framework and practical training in secondary schools.

Group 2: Small, Vulnerable Island Countries (Kiribati, RMI, FSM, and Tuvalu)

- Priority 1: Equity—outer islands, women, adults
 - (a) Kiribati—building on junior secondary school infrastructure as base for mobile training, build training capacity for gender, poverty, and employment;
 - (b) RMI—training for the outer islands and skills training for women; and
 - (c) Tuvalu—training for out-of-school youth and livelihood skills for adults' entrepreneurship.

- Priority 2: Efficiency, sustainability
 - (a) FSM—reducing dependence on external financing of TVET; consolidating, coordinating, and mobilizing resources;
 - (b) RMI—establishing a TVET trust fund; and
 - (c) Tuvalu—mobilizing additional resources for TVET.

- Priority 3: Others
 - (a) FSM—quality: establish the National Training Institute, renovate TVET facilities, organization: establish a TVET council and TVET policy/action plan;
 - (b) Kiribati—relevance: expand TTI range of skills, quality: expand skill testing, organization: establish apex TVET organization;
 - (c) Nauru—quality: introduce franchise programs, upgrade trainers and facilities, organization: form a national skills development body; and

- (d) Tuvalu—strengthen TMTI, improve quality of vocational subjects in secondary schools, achieve better direction and management of TVET.

Group 3: “Advanced” Island States (Cook Islands, Fiji Islands, Palau, Samoa, and Tonga)

- Priority 1: Expanding training for wage sector
 - (a) Cook Islands—building of in-country training capacity,
 - (b) Fiji Islands—review of TVET outputs by all providers, expanding TPAF, and establishing a training fund;
 - (c) Samoa—expanding training outputs in areas of critical shortage;
 - (d) Tonga—addressing skills shortages through close cooperation with employers and a more flexible training supply.

- Priority 2: Quality improvement (qualifications frameworks), raising standards
 - (a) Cook Islands—strengthening existing institutions and programs;
 - (b) Fiji Islands—NQF, quality audit of MOE vocational training centers, franchise programs, and FIT;
 - (c) Samoa—NQF and converting all programs to CBT; and
 - (d) Tonga—NQF, strengthening training standards, establishing a system of certification and accreditation, and developing CBT.

- Priority 3: Organizational development
 - (a) Cook Islands—coordinating all postsecondary training;
 - (b) Fiji Islands—defining clear organizational structure and roles among key providers and stakeholders, establishing a national coordination agency, preparing a costed national training plan;
 - (c) Samoa—establishing/strengthening SQA and developing a national TVET coordination plan; and
 - (d) Tonga—establishing the National Qualifications and Accreditation Board and developing a national policy on TVET.

- Others: Fiji Islands—skills for income generation among rural people and the unemployed.

Strategic Options—A Guide for TVET Decision Makers

Developing a strategy involves specifying objectives, means, and steps in priority and hierarchical order. It also involves selecting among alternative means of achieving the goals. Strategies can be developed only by the countries concerned, but this review presents a menu of options. The overall objective of reform in Pacific TVET is to provide adequate supplies of competent skills for wage and self-employment. Following from the analysis in Chapter 4, countries wishing to pursue the above priorities could select from a range of strategies.

TVET decision makers need to focus on five central questions:

- How can the training outputs be linked more closely to economic demands, i.e., how can a demand orientation be built into the system?
- How can quality and mastery of competencies be raised?
- How can skills be distributed more equitably by region, income, and gender?
- How can skills development be organized and managed more effectively?
- How can dependence on public financing be reduced, resources mobilized, and existing resources used more efficiently?

Economic Relevance

The following tables summarize the possible objectives, means, and steps for TVET reform in the Pacific.

A reform strategy to build economic relevance would focus on building a demand orientation into the system. This could be accomplished by establishing an overall training authority with strong representation for employers. Another key element would be developing and systematically using market information to guide TVET offerings, including labor market surveys and tracer studies on the destination of graduates. Data should be collected systematically on the emigration of skilled labor and hiring of expatriates. Qualitative information, such as consulting groups of “key informants,” constitutes an important source of information about market trends. A third element would be to diversify the occupational composition of service offerings to meet changing market needs. Developing apprenticeships is an important means to expand outputs closely related to employer requirements. Flexible supply response is equally important. TVET systems must become more agile in responding to demand. This cannot easily be done in lengthy, time-bound training programs.

The general strategy should be to concentrate on generic skills, and defer specialization until close to entry to the labor market when the job demands come into sharper focus. The strategy should also provide for upgrading and retraining of those in the labor market. TVET systems would thus serve a broader clientele—not just school-

Table 5.1: Economic Relevance—Means and Steps

Objective	Means and Steps
1. Enhance the economic relevance of the TVET system	<ol style="list-style-type: none"> 1. Develop labor market information: <ul style="list-style-type: none"> • establish periodic labor force surveys; • develop capacity for tracer studies of graduates; and • develop capacity to analyze and use results. 2. Achieve a demand orientation: <ul style="list-style-type: none"> • involve employers more in guidance and direction of TVET; and • change NTC and board membership to emphasize employer views. 3. Reorient much of TVET to skills needed in the informal sector and expand services offered: <ul style="list-style-type: none"> • start with analysis of the rural labor market; • through value-chain analysis, identify growth areas and occupations in demand; • analyze supply chain and human resource constraints; and • undertake special programs to mitigate youth unemployment (see detailed strategy in “Strategic Options for the Rural and Informal Sector,” a few pages hence). 4. For the wage economy, change profile of training supply to address shortages: <ul style="list-style-type: none"> • expand apprenticeship-training systems. 5. Introduce flexible supply responses: <ul style="list-style-type: none"> • shorten training, introduce modular training with flexible entry/exit, follow competence- rather than time-based instruction; • develop vibrant private training markets; and • use contract training.
<p>TVET = technical and vocational education and training, NTC = National Training Council. Source: ADB/PIFS Expert Team, 2007</p>	

based, but concentrating more on upgrading the skills of workers and involving workers and adults in lifelong learning. Shorter, modular training instills greater flexibility into training systems. Investment in costly equipment and long-term teaching staff militate against flexibility and often lead to delivering the same courses every year because the means of teaching exist.

Private training providers tend to be more attuned to market changes, as their livelihoods depend on placement of graduates in appropriate employment. Vastly expanded entrepreneurship training and service for micro- and medium enterprises has to be a major emphasis, since the vast majority of people will be self-employed in the informal sector. A detailed strategy for rural informal sector training is presented below, in Table 5.6.)

Quality

A primary objective in Pacific TVET is to achieve a more effective mastery of skills competencies. This can be done by focusing on outcomes and demand rather than inputs and supply. Quality starts with defining standards for outputs and focuses on competencies achieved rather than time spent in instruction. Another key ingredient is assessing trainee competencies by an objective third party, preferably employers. CBT is not easy to implement, as seen in PNG. It requires sufficient equipment for all trainees to participate in skill exercises, and teachers skilled in different methodologies. CBT can increase the effectiveness of training exponentially (as done by VIT), but quality costs money. CBT cannot be done well without sufficiently trained and practiced instructors with sufficient work experience, or without minimum standards of functioning equipment and

Table 5.2: Quality—Means and Steps

Objective	Means and Steps
2. Increase the quality of skills acquisition	<ol style="list-style-type: none"> 1. Establish standards: <ul style="list-style-type: none"> • implement national qualification frameworks based on employer-ratified standards; and • establish international benchmarks where appropriate. 2. Introduce quality assurance procedures: <ul style="list-style-type: none"> • carry out periodic quality audits; • strengthen procedures for accrediting and certifying training providers, including private training providers; • introduce follow-up monitoring and evaluation of impact; • implement and improve trade testing systems; and • involve third parties (i.e., external, preferably employers) in assessing graduates. 3. Where possible, concentrated training on-the-job or in dedicated, stand-alone institutions is preferable to prevocational training in schools. 4. Introduce or expand competency-based training 5. Improve instructor performance: <ul style="list-style-type: none"> • strengthen programs of preservice training; • conduct skill audits and training needs analysis of instructional staff; • introduce periodic in-service upgrading; • identify and monitor key performance areas as part of teacher evaluation; and • introduce merit-based selection and compensation. 6. Provide the necessary physical inputs: <ul style="list-style-type: none"> • provide funds for renovating facilities; and • invest in upgrading equipment and maintenance programs. 7. Use training funds to stimulate innovation.
<p>a Defined as training that focuses on occupational standards with students assessed on the achievement of those standards. Source: ADB/PIFS Expert Team, 2007.</p>	

adequate supplies of consumables. The place to start, however, is employer ratification of training standards. The place to end is with employer ratification of achievement of the standards to their satisfaction.

Equity and Access

In view of the low chances for young people and adults to acquire skills through formal and nonformal programs, and the importance of those skills for employment, self-employment, and income generation, a key objective for TVET systems in the region is to broaden coverage and expand the quantitative output of skills to meet economic requirements. This includes technology-related training, but especially nonformal skills training and training for the informal sector. Countries should construct an “index of opportunity”¹ for TVET, similar to the commonly used enrollment ratios at basic and secondary education. This could be used as a benchmark to monitor progress in increasing access. Mobile teaching tends to be expensive and fraught with logistical difficulties. However, it may be appropriate in some cases, such as Vanuatu, provided care is taken to keep it simple. It is difficult to maintain heavy equipment over rural roads.

Breaking the bottleneck on output of trained instructors is another important step, especially expanding the output of female instructors as has been done by the Don Bosco

Objective	Means and Steps
3. Increase equity and access for marginal groups	<ol style="list-style-type: none"> 1. Expand technical and vocational education and training (TVET) delivery capacity and coverage of the population: <ul style="list-style-type: none"> • shorten the length of training and introduce modular training; • train and hire more instructors; • capitalize on information and communications technology and distance learning to broaden access; and • track progress through an “index of opportunity.” 2. Reach rural areas and outer islands: <ul style="list-style-type: none"> • See Table 5.6. 3. Increase female participation rates in appropriate courses: <ul style="list-style-type: none"> • provide scholarships and incentives; • construct necessary facilities for female trainees at TVET institutions; • broaden instructional programs to include such occupations as catering, hospitality trades, and office management; and • increase the number of female instructors.
Source: ADB/PIFS Expert Team, 2007	

¹ Comparing the annual intake into TVET institutions by gender, region, and income group to the number of school-leavers.

Technical Institute in PNG. Implementing community-based campaigns to increase the appreciation of the value of training will also help. Relieving financial constraints—the direct or opportunity costs—to low-income people can also increase access, including scholarships or stipends for girls. Raising gender awareness can also help through gender-sensitive training materials and developing the attitudes of managers of training institutions. Opening boarding and hostel facilities could also increase the proportion of females enrolled. Establishing targets by gender and monitoring results is an essential first step to greater equity.

Organization and Management

National training authorities can help direct a more coherent training system, but they must be implemented effectively with sufficient resources to carry out their diverse functions. These functions include developing management information about training demands, formulating training policies, quality assurance through accreditation, and collecting and monitoring of information on system performance. They may also be called upon to manage national qualification frameworks. As stated, the most important principle is for the national training authorities to be employer driven. They must also develop the capacity to analyze the outputs and outcomes of training, and use this as a basis for policy formulation.

Table 5.4: Organization and Management—Means and Steps

Objective	Means and Steps
4. Improve organization and management effectiveness	<ol style="list-style-type: none"> 1. Develop or strengthen apex technical and vocational education and training (TVET) organizations: <ul style="list-style-type: none"> • create clear mandates to coordinate; • put employers in lead position; and • ensure that the apex organizations are adequately resourced to carry out their responsibilities. 2. Develop TVET plans where needed (Federated States of Micronesia, Fiji Islands, Kiribati, Republic of the Marshall Islands, and Tuvalu), but concentrate on costing, budget, and action plans for follow through. 3. Devolve authority to institutional managers, subject to stakeholder boards (colleges in Papua New Guinea): <ul style="list-style-type: none"> • establish accountability for results; and • provide opportunities for management development. 4. Establish standards for institutional and system managers and evaluate performance against these standards. 5. Strengthen TVET management-information systems and analytical/research capacities as basis for policy making.
Source: ADB/PIFS Expert Team, 2007	

A clear division of responsibility needs to be established between central authorities and training institutions. The center should be responsible for such functions as policy, quality assurance, financial allocations, and monitoring and evaluation. Training institutions should be placed under boards of stakeholders, particularly at the postsecondary technical level. Greater authority should be devolved to training institutions and their boards so that they can find their own markets, and help mobilize and keep their own resources. Continuous in-service management development will be important for both groups to be able to fulfill their functions. TVET plans and policies would be an important step to lay out priorities and strategies to achieve them. However, such plans are likely to be meaningless unless accompanied by resources and political will.

Financing and Internal Efficiency

Two sides of the same coin are mobilizing additional financing and making better use of what TVET institutions already have. Governments must realize the costs and importance of TVET so that it receives its reasonable share in budget allocations. TVET institutions should be allowed to augment operating income by providing short courses on a fee-paying basis and by producing goods and services for retained income. Employer contributions also need to be stimulated, perhaps through sponsorship of trainees or donations of used equipment. Private training provision, where it meets minimum quality standards, can provide citizens with useful skills at little or no cost to government. Government should recognize and encourage nongovernment and church agency training, which tends to be high quality and often serves lower-income segments of the population. Where possible, external financing should fund TVET projects, such as those by country in Appendix 5 and regional projects recommended later in this publication.

Table 5.5: Financing and Internal Efficiency—Means

Objective	Means
5. Achieve greater internal efficiency and sustainability in technical and vocational education and training systems	<ol style="list-style-type: none"> 1. Adopt policies on cost recovery together with scholarships. 2. Get enterprises interested. 3. Encourage private providers. 4. Calculate unit recurrent costs and costs per graduate—and monitor them. 5. Shorten length of training. 6. Introduce competency-based training and modular training. 7. Define and enforce minimum class sizes and teaching loads. 8. Make more use of contract teaching. 9. Use transfer mechanisms, e.g., payment for results.
Source: ADB/PIFS Expert Team, 2007	

Strategic Options for the Rural and Informal Sector

Training strategies for this sector should be based, where possible, on an analysis of the value chain and identification of growth areas of the economy (Appendix 5 for detailed steps under each means).

The above set of options is comprehensive, systematic, and—taken completely—likely unfeasible. It has too many items to be carried out at once. As stated, preparing strategies requires selecting from alternative means of achieving the objective. To guide the process of selection, interventions likely to have the greatest impact would include organizational and management development; mechanisms to focus on outputs, such as CBT, tracer studies, trade testing, and monitoring and evaluation; development of better information on which to base decisions at the national and institutional levels; and in-service upgrading and updating of instructors.

Table 5.6: Objective and Means by Country Group

Country Group	Objective and Means
<p>1. Land-rich, low-income countries (PNG, Solomon Islands, and Vanuatu)</p>	<p>Objective 1: Improve the relevance and effectiveness of existing rural training centers (RTCs). Means 1: Reorient RTCs toward short-cycle skills development programs linked to employment and income-generation opportunities in the local economy. Means 2: Improve the quality of RTC training. Means 3: Strengthen links between RTCs and the agricultural economy.</p> <p>Objective 2: Enhance the capability of NGO training providers to deliver community-based skills training at the local level. Means 1: Strengthen existing NGO capacities to identify training needs and income-generation opportunities at the local level. Means 2: Support the development of short outreach training programs and related audiovisual materials to support community-based training. Means 3: Strengthen the existing pedagogical capacity of NGO trainers.</p> <p>Objective 3: Promote increased cooperation and coordination in local skills development between government departments and NGO training providers. Means: Create a joint government–NGO organizational framework and procedures for promoting increased coordination and cooperation in planning, implementing, and funding nonformal skills development programs.</p>
<p>2. Small, vulnerable islands (Kiribati, RMI, FSM, Nauru, and Tuvalu)</p>	<p>Objective 1: Improve access to short-cycle skills development programs in remote or outer islands. Means 1: Identify economic opportunities and training needs of outer island populations. Means 2: Design and develop short-cycle modular training programs linked to pre-identified and assessed income-generating opportunities in the outer islands. Means 3: Develop cost-effective delivery systems for skills training in remote and outer islands (see project proposals in Chapter 7).</p> <p>Objective 2: Actively engage the NGO community in providing short-cycle training programs dealing with livelihood skills for women, out-of-school youth, and other vulnerable groups. Means: Strengthen the existing capacity of NGOs to identify design and deliver livelihood training to women, out-of-school youth, and other vulnerable groups on remote and outer islands.</p>
<p>3. “Advanced” island states (Cook Islands, Fiji Islands, Palau, Samoa, and Tonga)</p>	<p>Objective 1: Provide increased training opportunities for school-leavers. Means 1: Expand intake into existing programs. Means 2: Establish new community-based training programs.</p> <p>Objective 2: Improve the quality of nonformal skills training. Means 1: Improve the quality of training inputs. Means 2: Improve the quality of the training process and outcomes.</p> <p>Objective 3: Develop entrepreneurial skills for increased self-employment. Means 1: Promote increased entrepreneurship training. Means 2: Promote linkages between training and the private sector. Means 3: Develop flexible and cost-effective open- and distance-learning systems for entrepreneurship training. Means 4: Create a conducive environment for promoting self-employment in the informal sector.</p>
<p>FSM = Federated States of Micronesia, NGO = nongovernment organization, PNG = Papua New Guinea, RMI = Republic of the Marshall Islands, RTC = rural training center. Source: ADB/PIFS Expert Team, 2007.</p>	