

Proposals to Improve the National System of Technical Vocational Education and Training in the Philippines

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* With assistance from NEDA and TESDA

Outline

- Review of the Characteristics
- Assessment of Performance
- Proposal to Improve the system

Review of the characteristics of NSTVET - 1/12

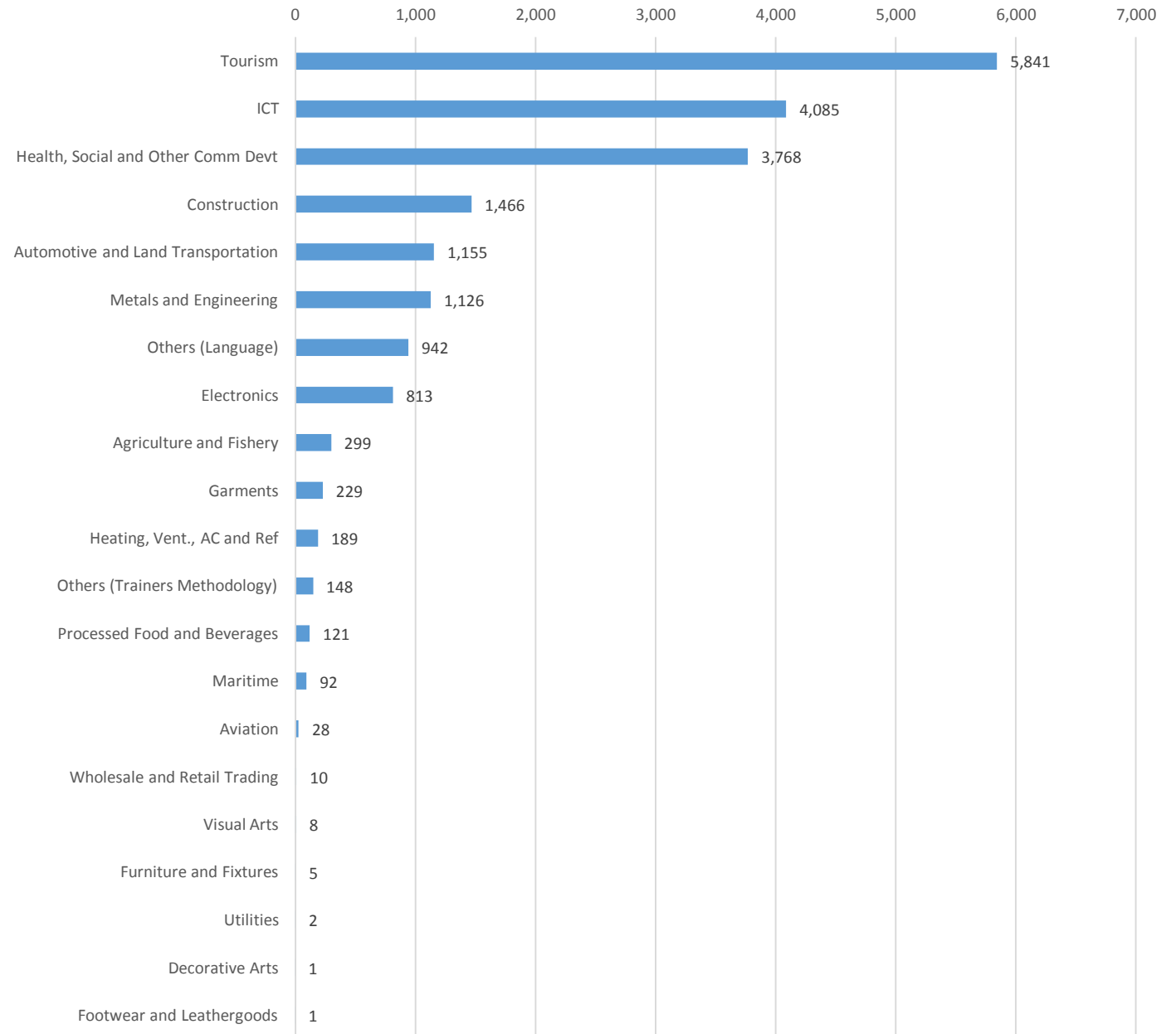
3 Major Modes of Delivery

- Institution-based (school-based and center-based)
- Enterprise-based
- Community Based

Review of the characteristics of NSTVET – 2/12

Top offerings of institution-based providers are in the fastest growing sectors

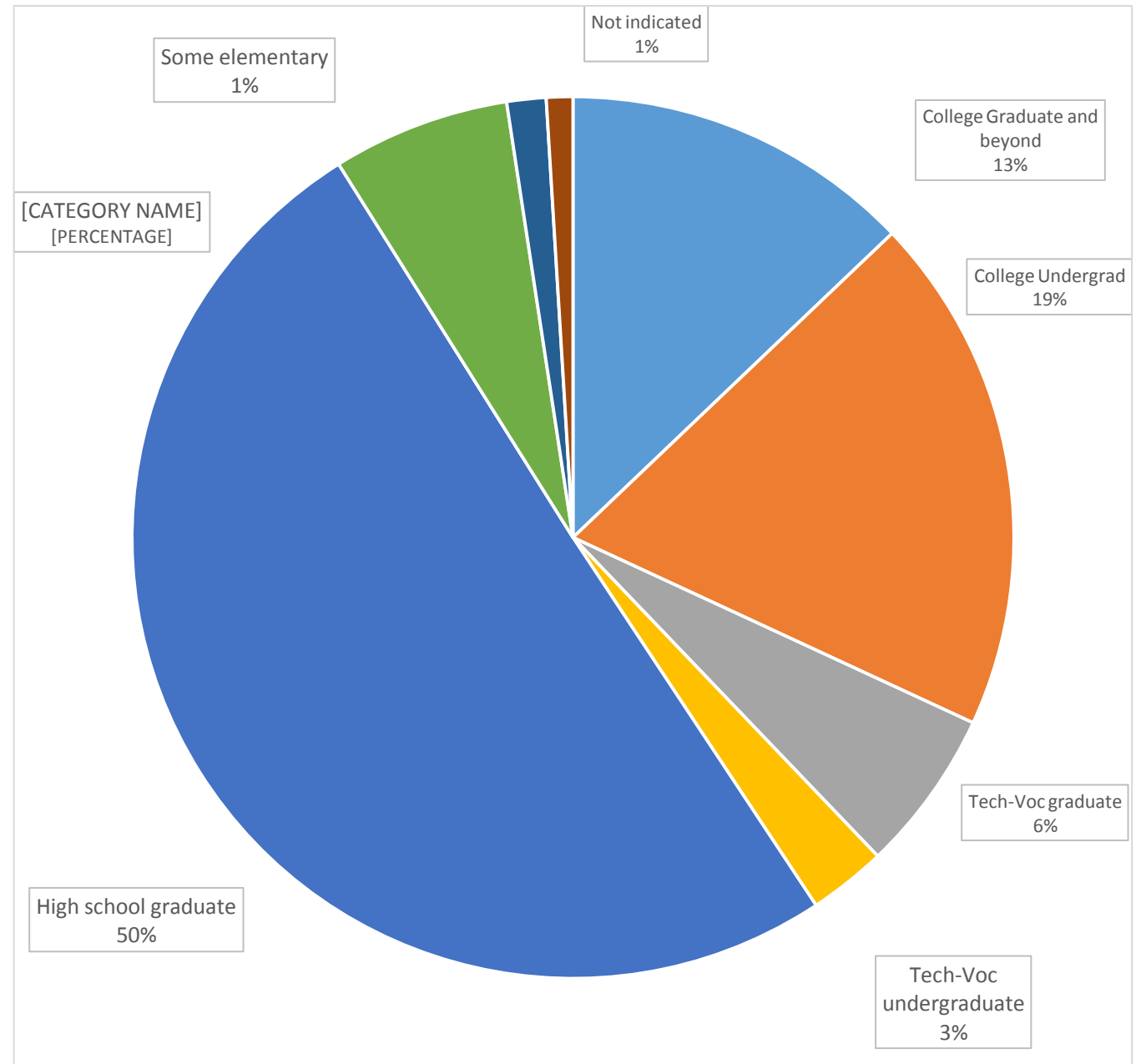
- Tourism
- ICT
- Health, Social and other community development



Review of the characteristics of NSTVET – 3/12

TVET Clients by education before training, 2012

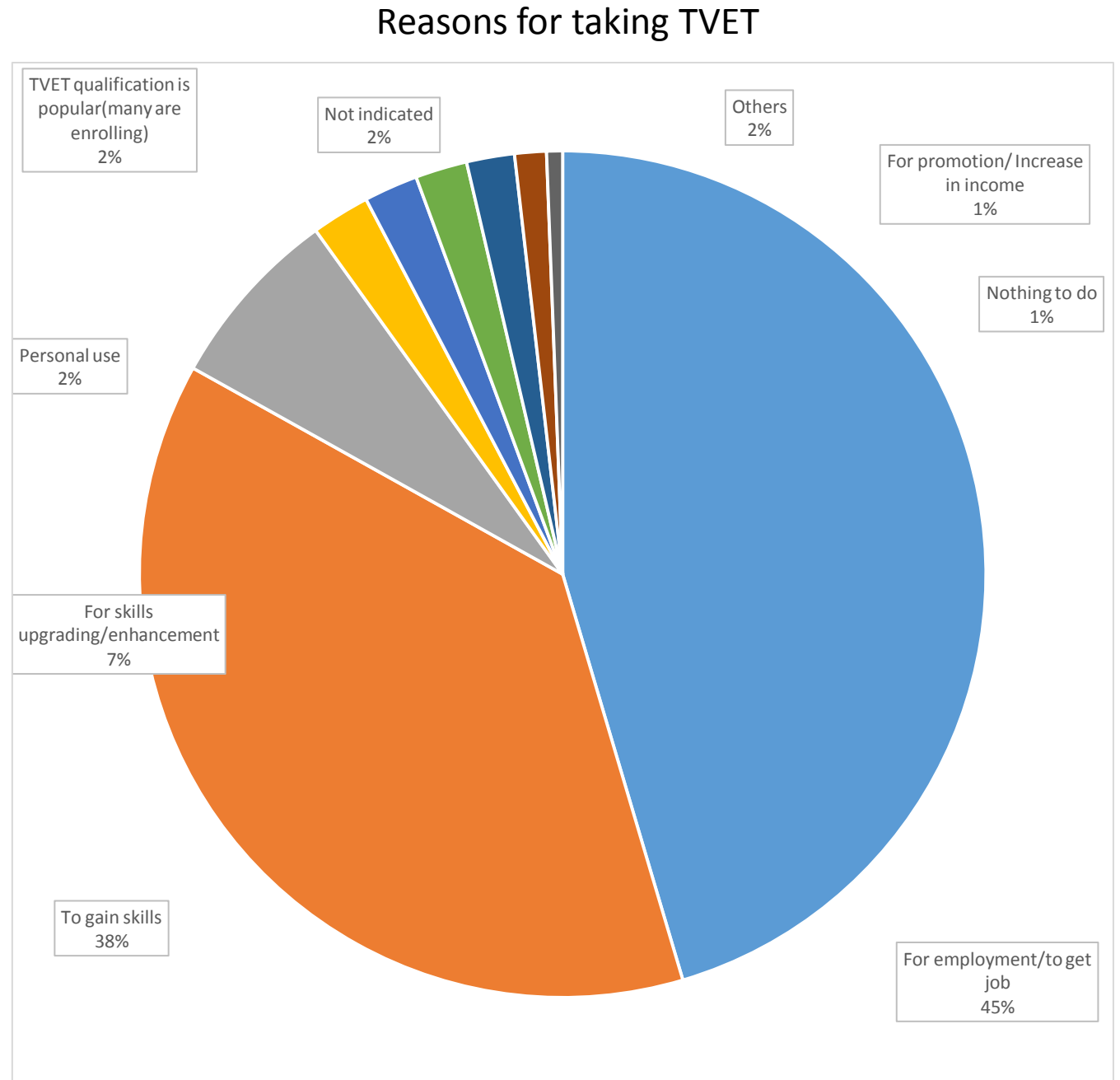
- Mostly high school graduates (50%)
- Some college undergrads (19%) and graduates (13%)
- Previous TVET (9%)



Review of the characteristics of NSTVET - 4/12

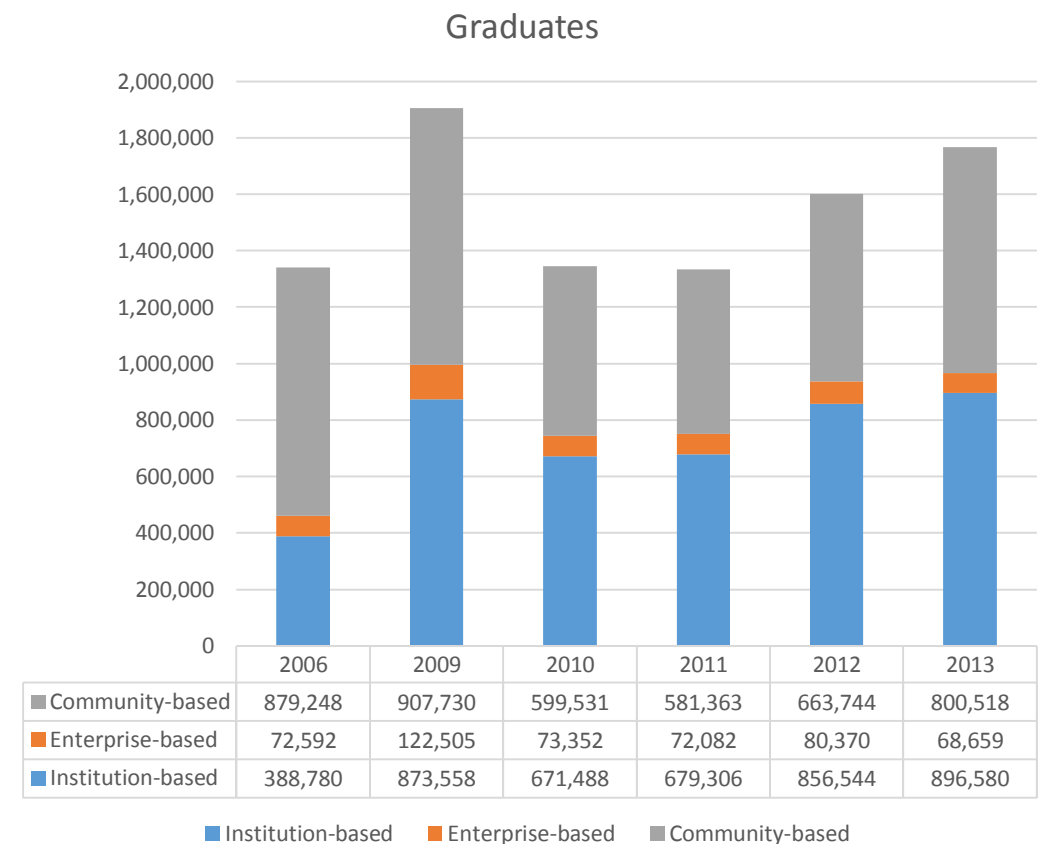
Reason for taking TVET, 2012

- Biggest for employment / to get job (45%)
- Next to gain skills (38%)
- Next skills upgrading / enhancement (7%)



Review of the characteristics of NSTVET - 5/12

Enrollment & Graduation: Biggest proportions are institution-based, followed by community based, a tiny proportion enterprise-based



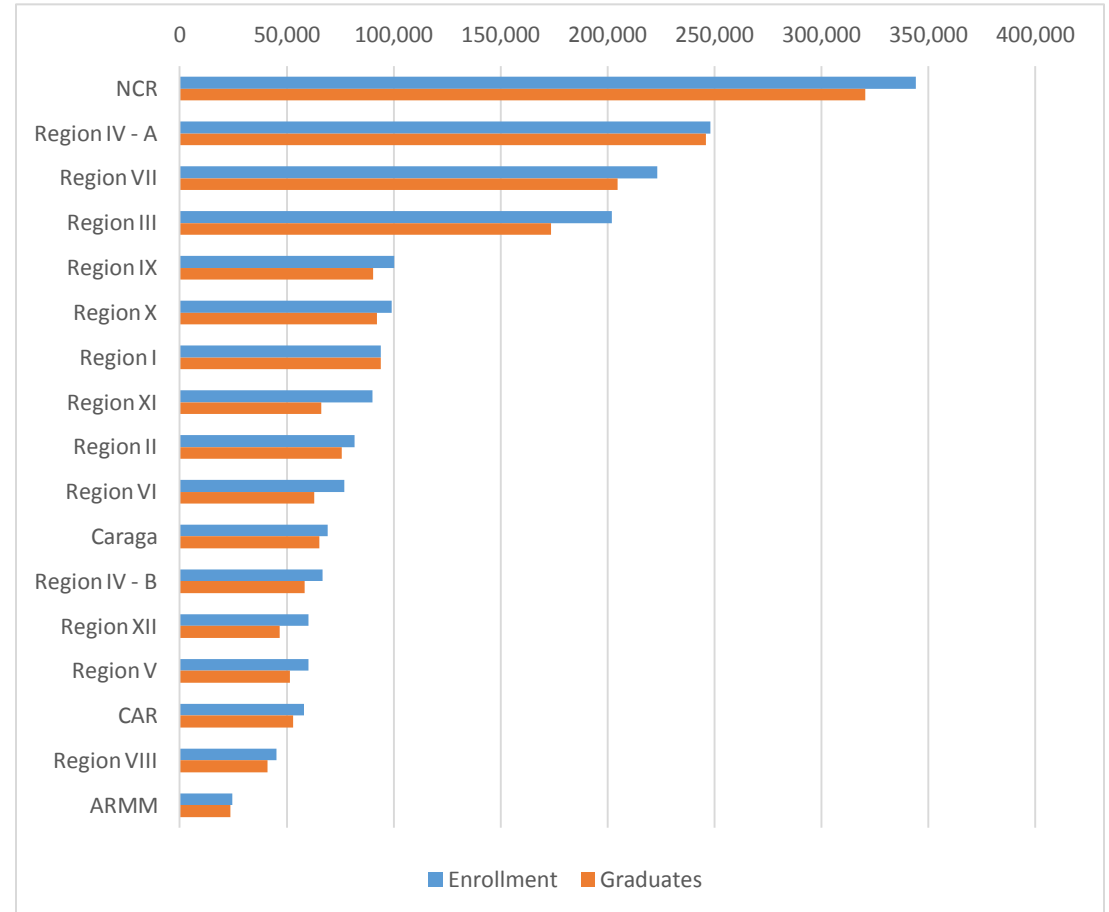
The system enroll 1.8 million and graduate 1.6 million on average between 2009-2014

Review of the characteristics of NSTVET - 6/12

Regional distribution of enrollment & graduates: Concentrated in few regions

Concentration in

- NCR
- Southern Tagalog (Reg IV-A)
- Central Luzon (Reg III)
- Central Visayas (Reg VII)

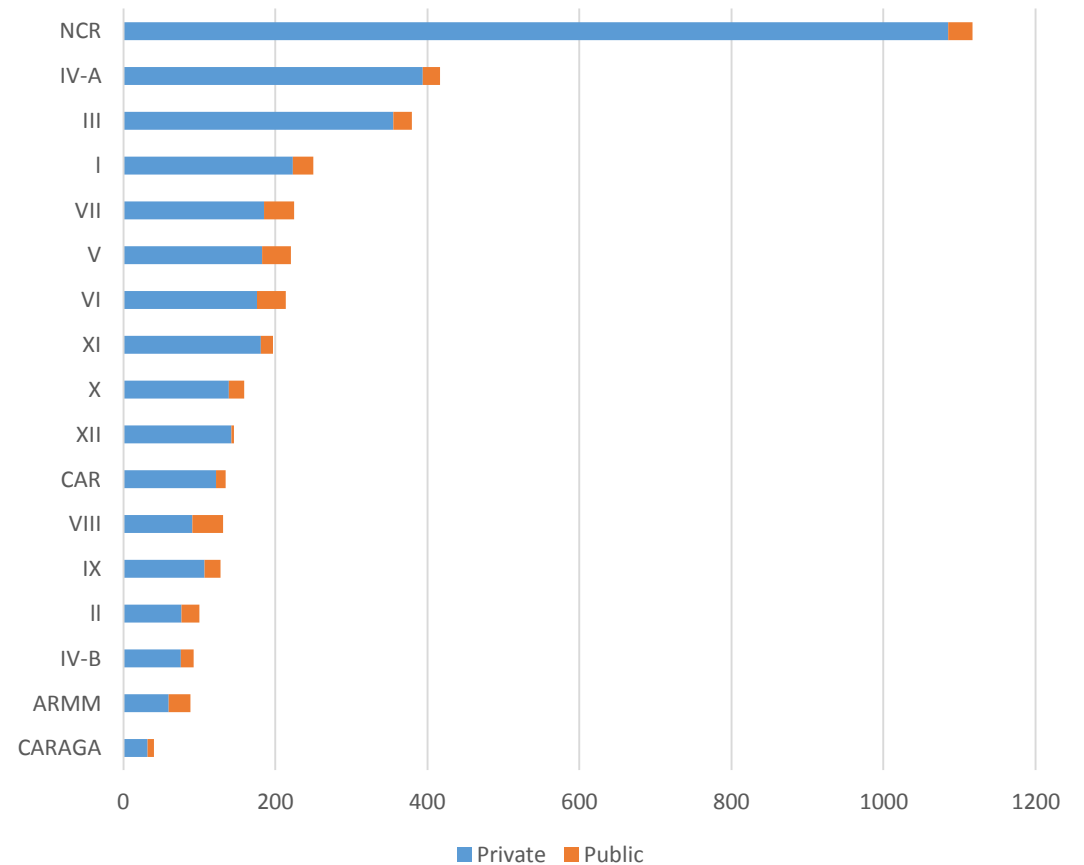


Review of the characteristics of NSTVET - 7/12

Regional distribution of number of TVIs with registered programs: Concentrated in even fewer regions

Concentration in

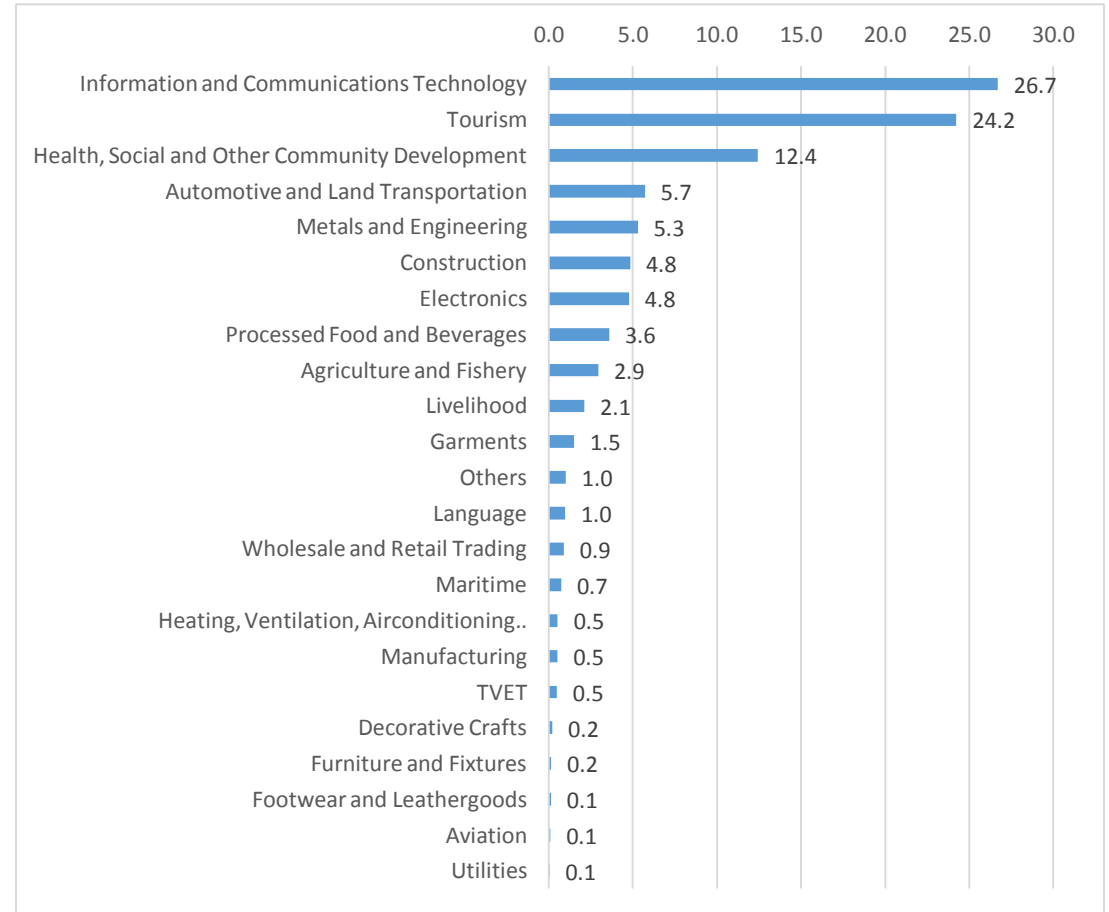
- NCR (1,117)
- Southern Tagalog (Reg IV-A) (417)
- Central Luzon (Reg III) (380)



Review of the characteristics of NSTVET - 8/12

Sectoral orientation graduates reflects the primary growing sectors

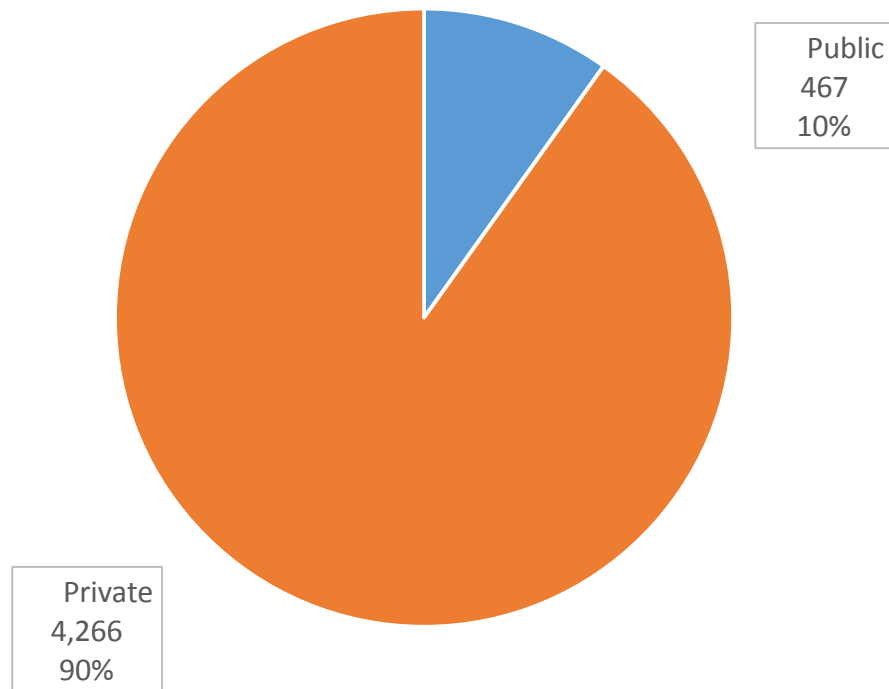
- ICT (26.7%)
- Tourism (24.2%)
- Health, social and other community development (12.4%)



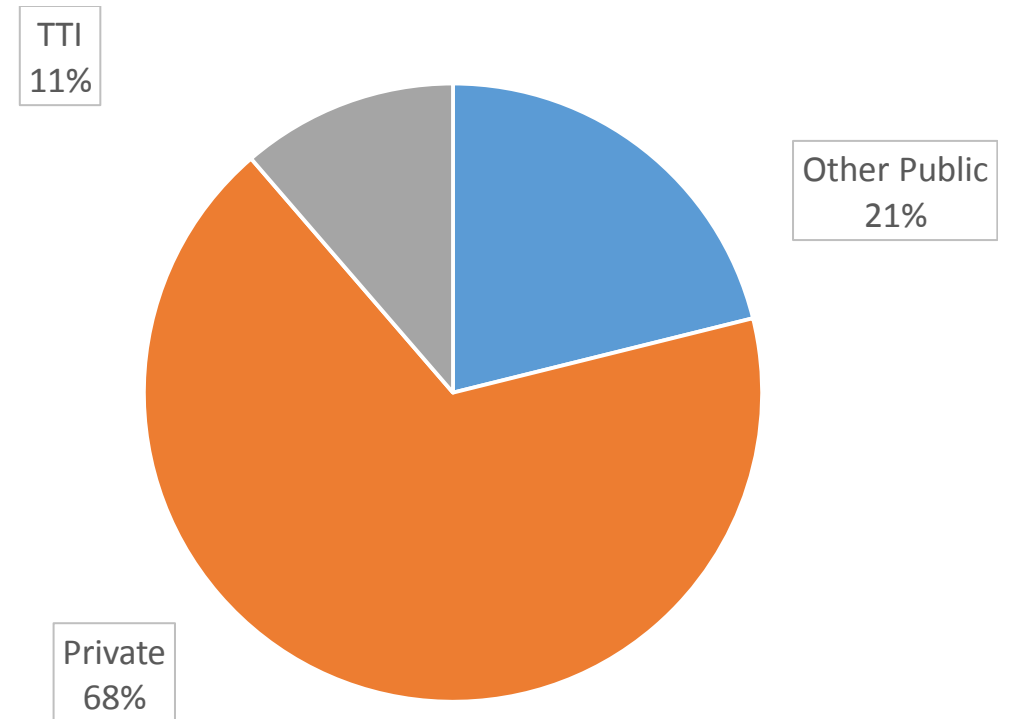
Review of the characteristics of NSTVET - 9/12

Distribution by Type: Public accounts for 10% in terms of number of institution; 32 % in terms of graduates

TVI By Type Institution, Numbers



Graduates by Type of TVIs, Graduates 2012



Review of the characteristics of NSTVET – 10/12

Governance and Management

- TESDA
 - Regulator
 - Provider – 122 TTIs as of 2015; 16 regional training centers, 45 provincial training centers, 18 agricultural schools, 7 fishery schools, 31 trade schools and 5 specialized institutions
 - Regulate private sector through an established quality assurance system
 - Provides technical assistance to community-based training programs

Review of the characteristics of NSTVET - 11/12

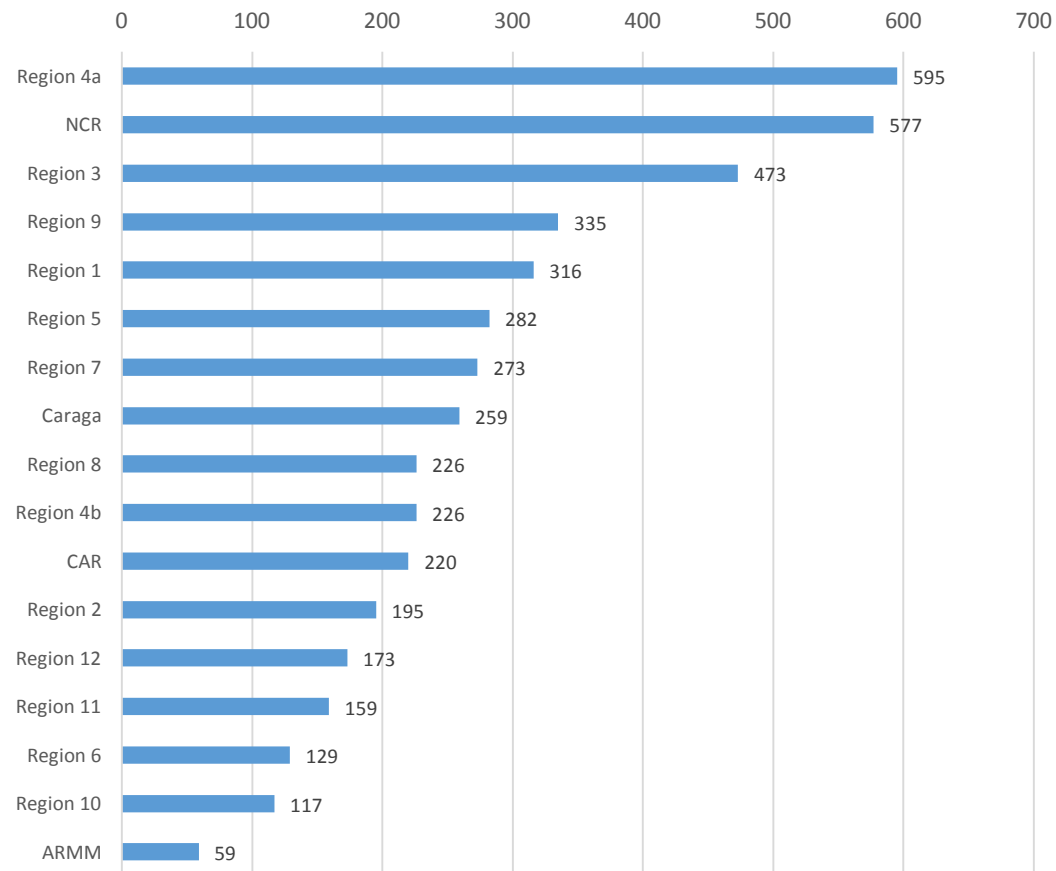
Quality Assurance system

- Mandatory program registration
- Promulgation of training regulations (TR)
 - Convenes experts from respective industries to develop TRs
 - Revisited and updated every 3-5 years or whenever there are new developments
 - As of July 2015, 91% of the 20,329 registered TVET programs have TRs
 - Defines assessment of competencies
- Assessment center accreditation – primary venue of assessment
- Assessment done only in the presence of with TESDA personnel at all times
- Trainer certification – 4 levels, regularly updated
- Graduate certification – mandatory assessment; full national certification (NC) or by competency area (COC)

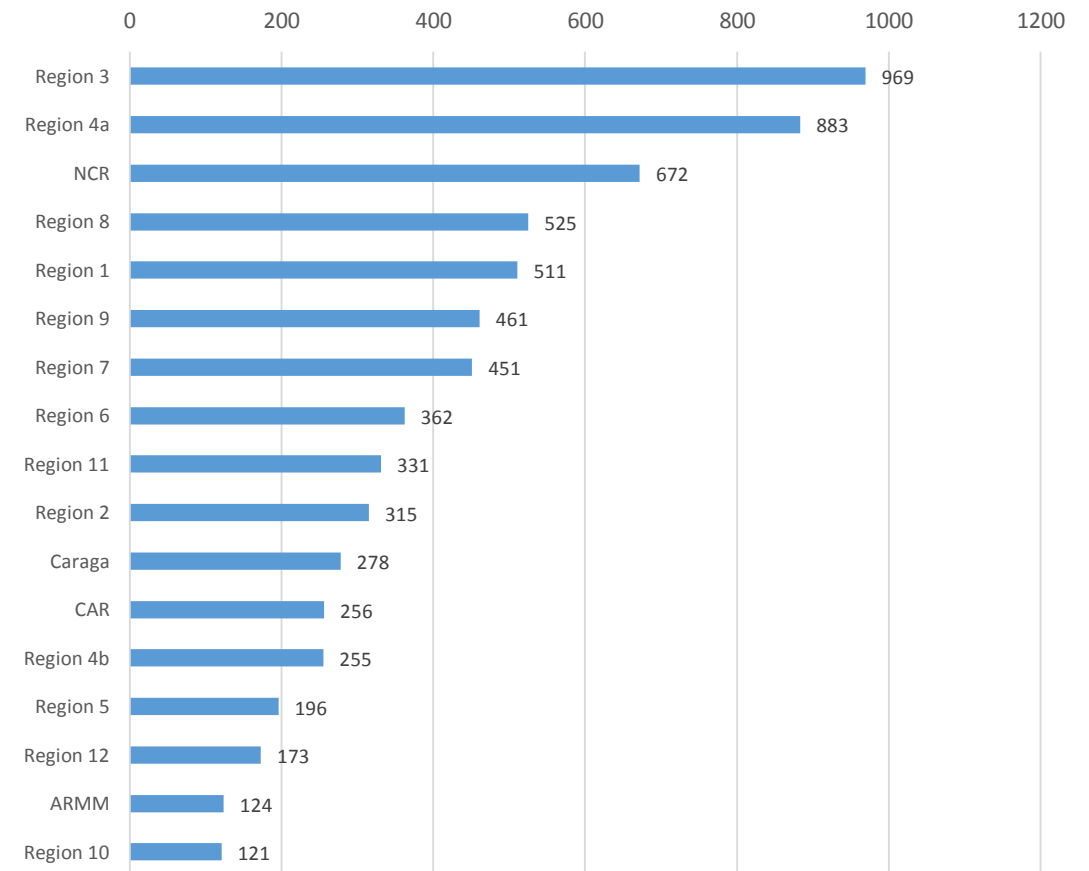
Review of the characteristics of NSTVET - 12/12

Top 3 regions in terms of enrollment and graduation (NCR, 4a, 3) are also the top regions in terms of number of assessment centers and assessors

Distribution of assessment centers by region, number, 2015



Distribution of assessors by region, number, 2015



Assessment of Performance of the Existing System -1/10

Estimation of Demand for TVET Services

- Enrollment and Graduation reflects the distribution of TVIs
- Sector concentration in growth areas such as ICT, tourism and health and social services
- Best estimate of total proportion of population/labor force who have had TVET training
 - Since 2012, added the question of who had graduated from TVET regardless of highest grade completed
 - LFS April 2014: 3.2 million (4.8%) of 66.2 million working age population graduated from TVET

Assessment of Performance of the Existing System -2/10

Access by Workers

- No readily available profile data on enrollees, only graduates from IES

Access by Vulnerable groups

- By age group: graduates in 2012 dominated by young age group 15-24 (61%) and 25-34 (23%); LFS shows that those aged 15-24 have the highest unemployment rates; 74% of the graduates were unemployed before training

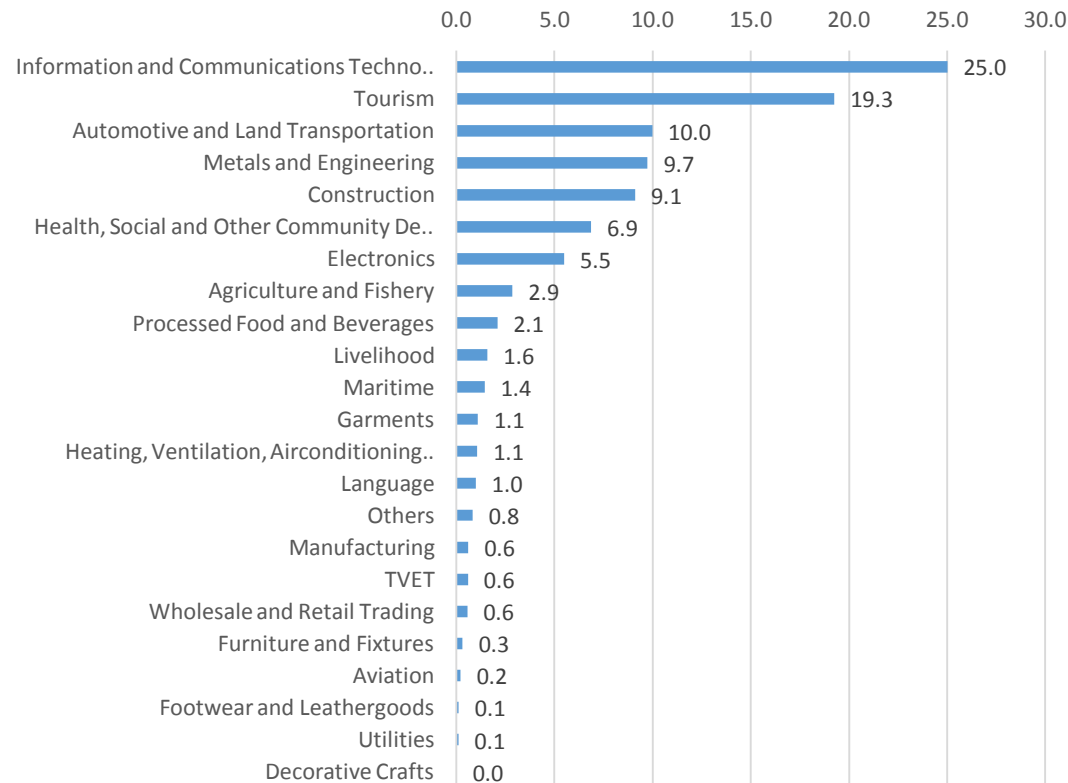
Access by SMEs

- No readily available data

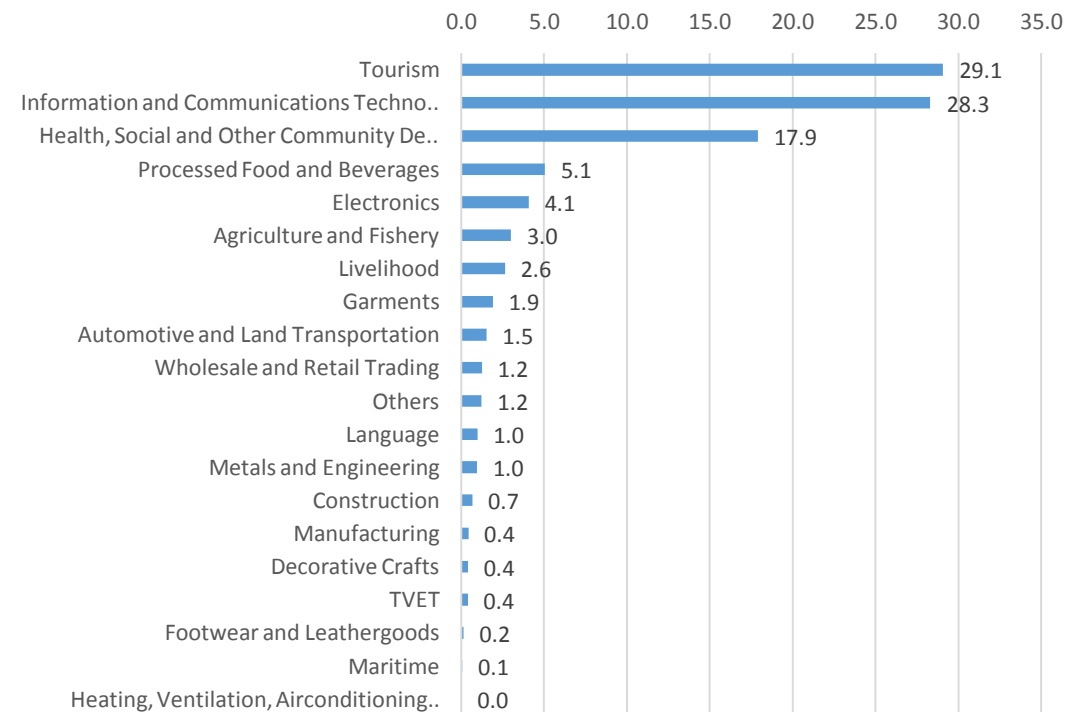
Assessment of Performance of the Existing System -3/10

By Sex: Graduates evenly distributed between male (50.4%) and female (49.4%); but some difference in sectoral orientation; top choices, Male: ICT, Tourism, Automotive, Metals, Construction; Female: Tourism, ICT, Health, Social, Other Comm. Devt.

Male By Sector, 2012



Female by Sector, 2012



Assessment of Performance of the Existing System -4/10

***TVET training not clearly
pro-poor***

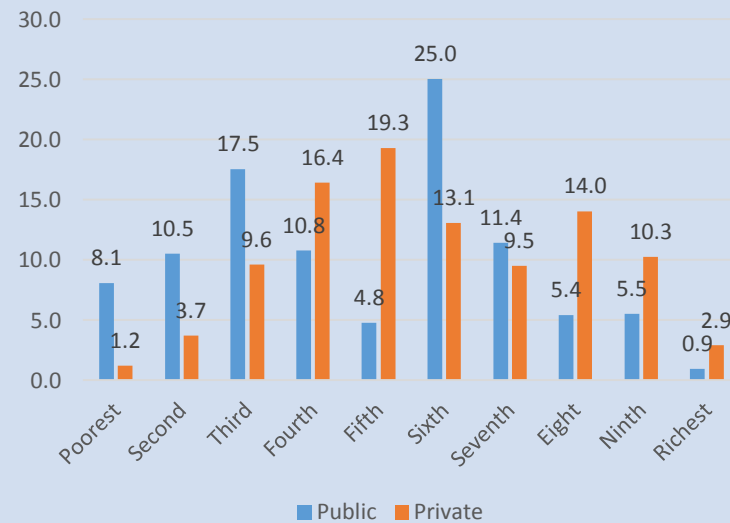
Whether by enrollment or by highest
grade completed, access to TVET does
not favor the poor

Enrollment in public cater more to
poorer segment

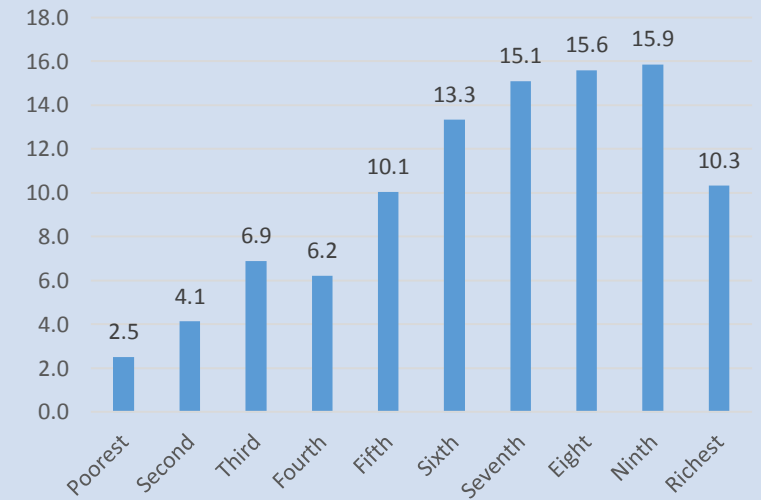
TVET as highest grade completed, clearly
not pro-poor

The poor already dropped out at the
elementary grades?

**Figure 6. Distribution of Enrollment in
Post-Secondary Courses by Per Capita
Income Decile, by Type of TVI, 2013**



**Figure 7. Distribution of 15 years and
above with Post-Secondary as
Highest Grade Completed by Per
Capita Income Decile, 2013**

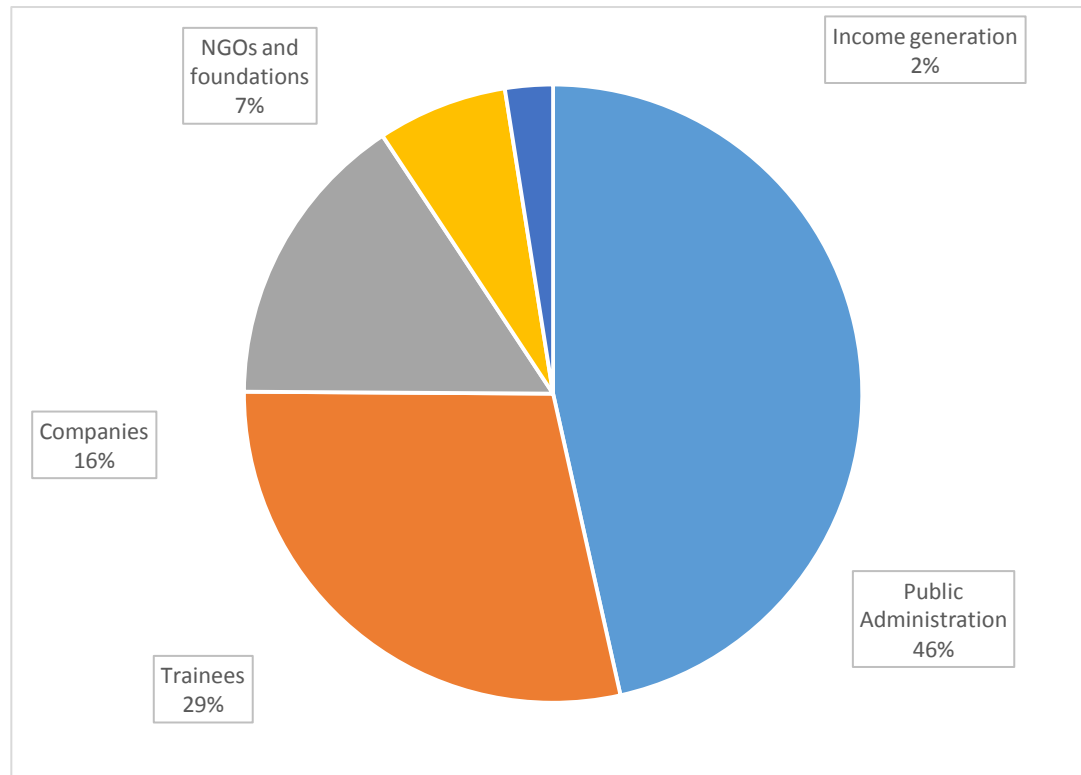


Assessment of Performance of the Existing System -5/10

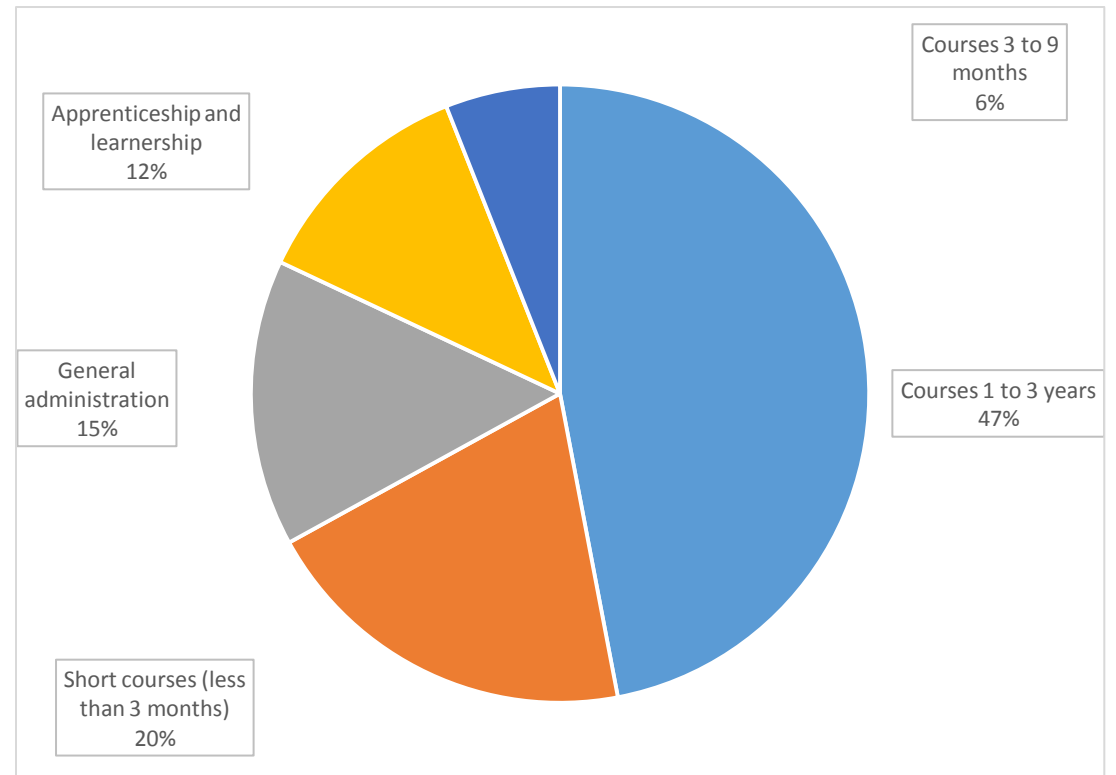
Major source of TVET funding: public (46%), trainees (29%), companies (29%)

By type: 1-3 year (47%), short courses (less than 3 months (20%), courses 3-9 months (6%)

Financing by Source, 2002



TVET Expenditure by Type, 2002

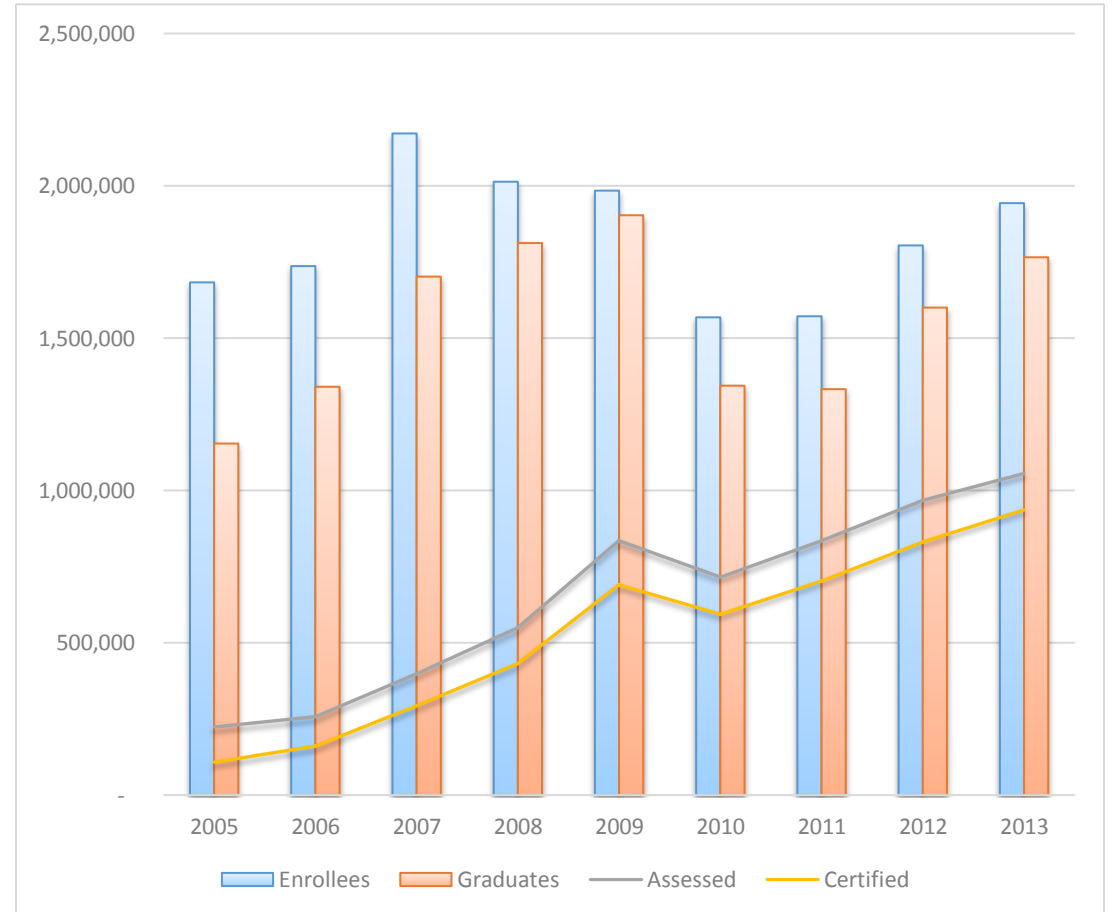


Source: Peano et al. (2008)

Assessment of Performance of the Existing System - 6/10

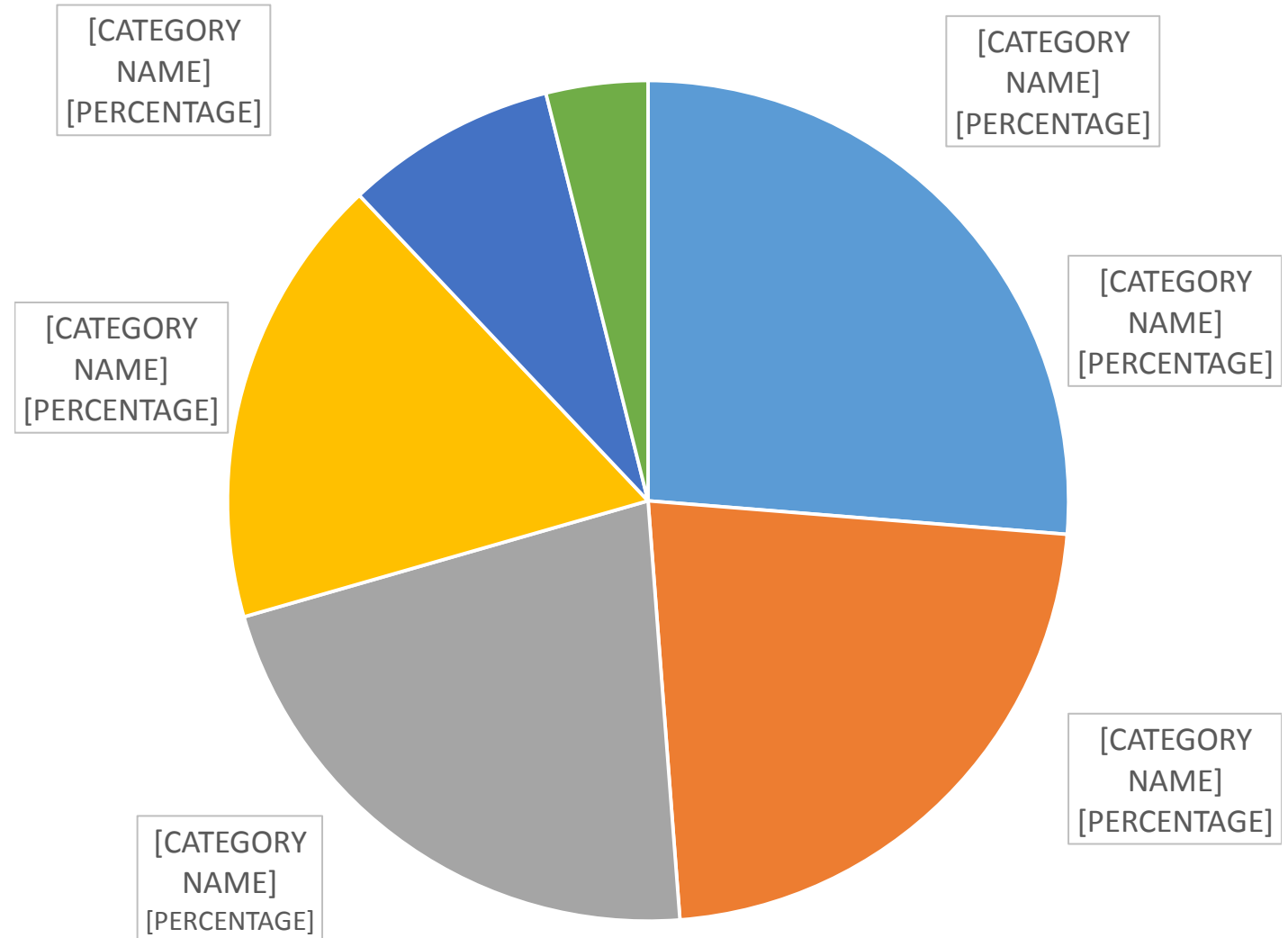
Certification

- Those taking certification exams clearly rising
- Certification rates consistently high (above 80%) except for Electronics and IT



Major reasons for not taking assessment

- Assessment not mandatory (26%)
- No assessment tools / assessors / center (22%)

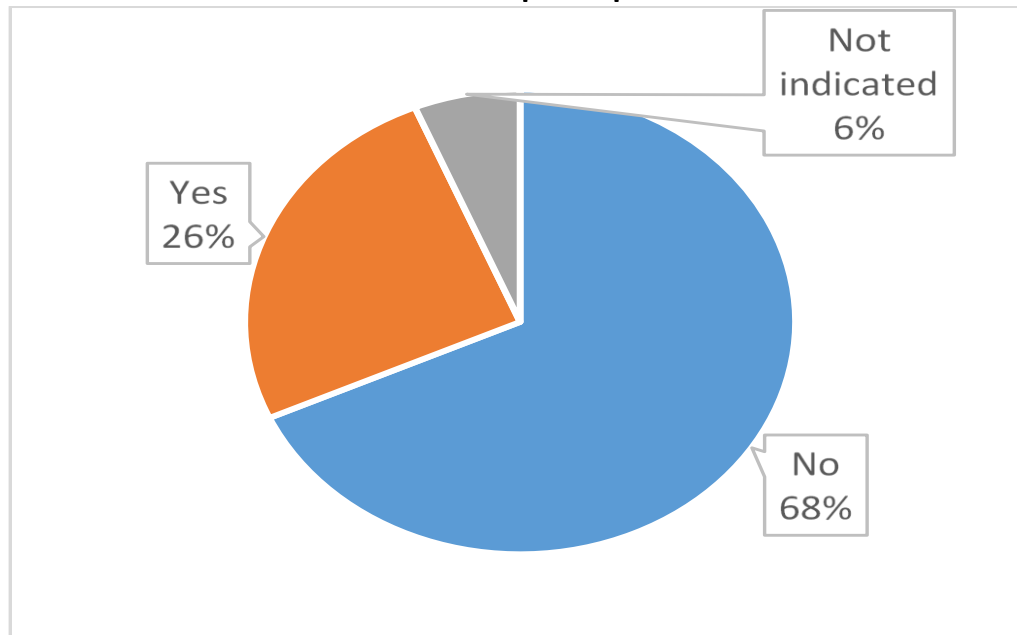


Assessment of Performance of the Existing System - 8/10

Continuous attention to firms' valuation of certification

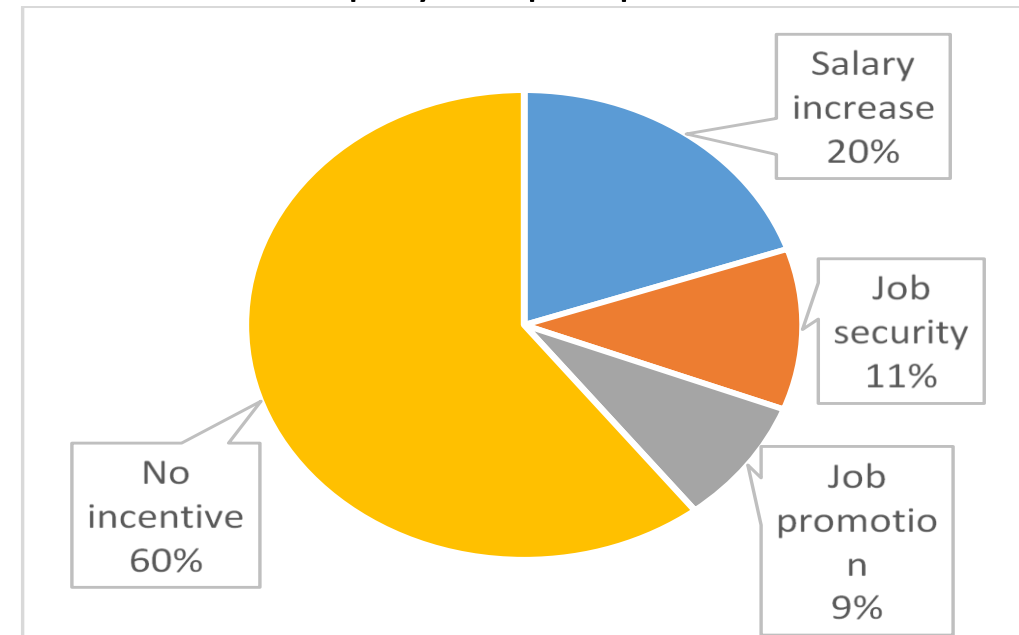
Measure: Do firms provide incentives to certificate holders?

Graduates' perspective



Source: 2013 IES

Employers' perspective



Source: 2014 ESS

Assessment of Performance of the Existing System - 9/10

Organizational structure and coordination across institutions

- TESDA is both a regulator and a provider
- TESDA Board, the highest policy making body, the primary point of coordination at the policy level
- At the operational level, development and continuous review of TRs
- TESDA accredits assessment centers and assessors
- TESDA doing a good service by continuously doing the IES; it is the only data the provides trainee-level profile; should be made available to researchers to improve data quality and support more analyses
- TESDA also do regular Employers' Satisfaction Survey (ESS) and similarly made available to researchers

Assessment of Performance of the Existing System - 10/10

Links with other labor market policies

- Primary link with labor market policies is the TESDA Board, particularly, the Secretary of Labor – the chair
- No clear system how labor market information are supplied
- Even much less clear how whatever information is supplied been used to inform decision to review TRs, course offering of TVIs and decision of would be trainees

Proposals to Improve Philippine NSTVET -1/9

TESDA should focus more on regulation and information provision

- Global trend: government should primarily be in regulation and information provision; leave much of training delivery to private sector
- TESDA is currently both a regulator and operator 122 training institutions
- Information generation and provision should be continuously improved and provided regularly

Proposals to Improve Philippine NSTVET -2/9

Greater emphasis on enterprise-based training

- Preferred mode of delivery by many analysts but the thinnest amongst the modes of delivery
- Key issue: Understanding Better Enterprise-based Training
 - “If it is that good, why aren’t we doing more of it?”
 - What hinders it from expanding?
 - Incompatibilities in underlying incentives and sources of financing?
 - Wage-training contract difficult to monitor, hence, also difficult to enforce?

Proposals to Improve Philippine NSTVET -3/9

Making training continuously relevant to industry needs

- Continuous review of curriculum and training regulations
- Interaction between government, TVET Institutions, firms and workers should be at all levels, not just at the national level
- Regular convening of industry councils for continuous labor market signaling
- Address skills needs of roadmaps and value chains
- Enhancing TVI-industry linkages

Proposals to Improve Philippine NSTVET - 4/9

Greater performance orientation in access to public training funds

- Learning from the experience in collaboration with industry associations such as the experience with Information Technology-Business Process Association (IT-BPAP)
- Clear performance standards
- Competitive contracting
- Use Public Training Fund to Achieve Strategic Development Objectives
 - Use the considerable amount of training money to nudge TVET to achieve strategic development objectives? i.e. increasing more private sector training, really reduce unemployment rates of the young; increase the labor productivity of the poor

Proposals to Improve Philippine NSTVET - 5/9

Improve targeting of financial assistance for TVET

- Experience from scholarship programs show that more transparent selection criteria minimize influence peddling in the selection of beneficiaries
- Proper targeting of financial assistance – GIA for the poor, loans for the non-poor
- Proper assessment of grantees to improve satisfactory completion

Proposals to Improve Philippine NSTVET - 6/9

Ensure Quality in Community-Based Training

- Contributing a substantial component of TVET graduates
- Fear that this is mostly supply-driven training with little regulation
- It is registering respectable employment rates
- It there really a problem in quality?
- Are they more responsive to community needs?
- Proper regulation means improvement in coverage of training registration

Proposals to Improve Philippine NSTVET - 7/9

Improve Data generation and Dissemination on TVIs and Trainers

- As TESDA focus more on regulation, effective regulation require better information
- One of the weak points in TVET data is the characteristics of TVIs and trainers
- It seems that data is available; what might be lacking is processing into useful information and wider dissemination
 - List of TVIs with registered training programs
 - List of trainers with certifications

Proposals to Improve Philippine NSTVET - 8/9

Improve TESDA's capacity for monitoring and evaluation

- As TESDA shifts more into regulation and strategic financing, capacity to design better instruments, test them and analyze their impacts rigorously should be systematically built up in the institution

Proposals to Improve Philippine NSTVET - 9/9

Improve the Image of TVET

- To this day the image of TVET is low compared to college and university education.
- There is a need to formulate a strategic communication plan to uplift the image of TVET.

Thank you!