

4. Recommendations

This chapter presents 14 recommendations for the VET system and the new VET strategy in Viet Nam that were elaborated by the BIBB based on the preceding literature analysis and the results of the stakeholder interviews. The recommendations are structured in line with the corresponding sections of the questionnaire and literature analysis.

I. Governance

→ **Recommendation 1: Improve the mechanisms to involve the relevant stakeholders in designing the legal framework in VET management.**

The survey results show that the mechanisms for cooperation with different stakeholders, particularly with the business sector, are still limited and often regarded as only implemented theoretically. Nevertheless, respondents acknowledge a positive development, and claim support by disseminating further information on cooperation mechanisms and reinforcing encouragement of enterprises.

To overcome the limitations and challenges, all stakeholders have to become active and establish close relationships between each other. To achieve better cooperation practices, VET institutes need to improve their training capacity and training programmes, and provide information about cooperation results. Enterprises should develop long-term HR plans together with VET institutes, inform about recruitment and re-training needs, and provide financial and technical support (consultation, equipment) to VET institutes. State agencies should develop supervision mechanisms for the cooperation between enterprises and VET institutes and support the implementation process.

MoLISA has already started resolving inconsistencies and prioritizing objectives by issuing a large number of guidelines for the implementation of the VET Law. It is recommended to ensure the consistency and conformity with the practical requirements, especially in regard to policies for VET institutes and engagement of enterprises in VET. Stakeholder involvement in the design of the legal framework, and a suitable cooperation mechanism should be a priority.

BIBB comment:

A coordination and supervision mechanism needs to be in place where all relevant stakeholders come together on a regular basis and decide on the main issues of VET. Therefore, it is recommended to create a single tripartite regulating body that integrates the important stakeholders from the state , and the business sector. The national or regional chamber associations as well as the employer organizations and industry associations should become members of this body. In Germany this supervision and coordination is the role of the Main Board (Hauptausschuss) where all relevant stakeholders from government and social partners (employer organizations and trade unions) come together.

→ **Recommendation 2: Define specific roles and mandates of public and business sector in VET-system management and emphasize the benefits for enterprises participating in VET.**

The implementation of clear mandates and processes of public and business sector is important. The main obstacles for enterprises to cooperate, as stated in the interviews, are: Complicated administrative procedures; related costs of training; lack of awareness and communication regarding the training possibilities and benefits; fear that trainees leave the enterprise (especially SME) after training; and lack of different approaches for participating in VET for different types of enterprises.

The government addressed the issue in the VET Law and in the Labour Code amendment from 2019 by providing a definition of apprenticeship, and by defining rights and obligations of enterprises in cooperative training. Nevertheless, it is still necessary to implement specific guidelines to put into effect legal implementation arrangements and processes, especially for the cooperative training system and skills councils.

BIBB comment:

Clear and explicit definitions of roles and responsibilities of each stakeholder in the VET Law and their awareness of responsibilities have to be assured in a guiding document. Decisions will have to be made regarding the role of the business sector in the development of nationally recognized (occupational, training, assessment) standards, curricula and training.

→ **Recommendation 3: Improve VET-related data/information by standardizing the data collection procedure for different stakeholders (state agencies/enterprises/VET institutes) and introduce an online reporting system that ensures regular and precise updates with primary data.**

The importance of reliable VET-related data and information for the own decision-making is highly rated by most of the respondents, as interview results have shown. In addition, it becomes evident that respondents think that the data and information provided by several agencies is too general, not regional, not timely, of low quality and mainly administrative. The implementation of a standardized data collection procedure should also contain reliable information on labour force demands, labour market needs and transitions, job vacancies and graduates, and training needs of enterprises and sectors.

Despite the efforts already taken by MoLISA and DVET to improve the VET reporting system, the current state of data collection is not sufficient to enable evidence-based policy advising. The development of consistent system monitoring linked to systematic research on VET is key for a demand-oriented and evidence-based VET system.

BIBB comment:

Vietnam annual VET reports developed by NIVT can serve as one of important sector monitoring tools; standardized data collection procedures should have clearly defined deadlines so that the compilation of the VET Report Viet Nam will be possible in a timely manner. This should be ensured in a legal regulation.

→ **Recommendation 4: Focus investments and allocate an appropriate internal state budget to VET (e.g. infrastructure and equipment); allocate additional funding for VET staff salary and teacher training as well as for enterprises engaged in VET.**

Interview results show that the current rate of public VET funding in Viet Nam is not sufficient. Respondents indicate the need for more public funding to increase training quality of the VET system as training costs are expensive and teacher salaries are low due to the financial background of most of the students ('that cannot afford high tuition fees'). Generally, the Vietnamese government aims to shift from the state budget-allocating mechanism to a contracting-and-bidding mechanism that allows the state to assign or procure training services based on training capacity and training quality. While these changes may lead to a more focused investment of state budget fostering a higher training quality, state funding is still largely necessary for infrastructure and equipment of VET institutes, VET staff salary and teacher training as well as for the implementation of enterprise cooperation mechanisms.

To prevent severe financial shortcomings of VET institutes, the process of reducing state budget support, while promoting financial autonomy of VET institutes, should be assessed and monitored closely.

BIBB comment:

Align the investment priorities of the government with the skills and competency needs of industry when funding VET institutes. In Germany, the Federal Institute of Vocational Education and Training (BIBB) administers subsidies from the state budget for which inter-company training centres (ICTC) can apply. Equipment or infrastructure financed with those subsidies have to be in line with the demands of the business sector. The adequate capacity utilisation of the equipment purchased via those subsidy funds is closely monitored. In regard to incentives for the business sector, the prevailing tax relief schemes for training expenses in Viet Nam is not attractive to the business sector due to lengthy procedures. An optimized version of the current procedure should be elaborated. .

→ **Recommendation 5: Link an inclusive employment framework with specific training programmes that are designed together with enterprises, feature job counseling/guidance services and self-employment/job opportunities including awareness raising measures for the target groups.**

The VET Law specifies the focused development of VET in socio-economically disadvantaged areas. Thus, the government consequently aims at a broader participation in VET (following the idea of leaving no one behind) by stipulating exemptions from or reductions of tuition fees, and granting other allowances for ethnic minorities, students living in remote areas and/or from poor households and for other disadvantaged groups (including disabled individuals).

While stakeholders rate the effectiveness and benefits of VET policies for vulnerable groups as rather positive in the interviews, they give rather critical statements when assessing the project on vocational training for rural workers. The project and its objectives show the effort of the government to support vulnerable groups, but a matching of the project aims with the regional training needs of the target groups and the changing demand on the regional labour market did not take place. Here, the results did not fully meet the expectations.

It is important for future projects on VET for vulnerable groups to strengthen cooperation with local institutions as well as job counseling and guidance services. Such measures can support the creation of job opportunities or self-employment options for vulnerable groups in a more customized way.

BIBB comment:

An institutionalised exchange mechanism for continuously gaining feedback on the effects of inclusive policies and projects in VET and formulating recommendations is needed. In Germany, the Disabled Persons Committee is part of such a mechanism. The group is a sub-committee of the Main Board (Hauptausschuss) and is comprised of relevant VET stakeholders (employers, employees, organisations of persons with disabilities, training providers, rehabilitation providers among others). The sub-committee meets regularly to discuss effects of previous projects, current issues and future research programmes and to develop resolutions for inclusive VET. It ensures that the needs of persons with disabilities, as one vulnerable group, are taken into account in the development of VET and in the coordination with other services aimed at enabling participation in the work force.

II. VET teachers, VET managers and in-company trainers

→ **Recommendation 6: Raise awareness and support training policies of enterprises. Provide incentives for enterprise participation in teacher and in-company trainer training and communicate this to the business sector.**

For the occupational practical skills of VET teaching staff, cooperating with the business sector and facilitating learning at the workplace is indispensable. While the 'teacher standards' for vocational teachers were defined in 2017¹, these standards do not emphasize actual work experience and real industry practice. It is a problem that in recruiting teachers, academic degrees are more relevant than practical skills and expertise.

Although interviewees rated the quality of VET teachers in Viet Nam in terms of occupational practical skills as mostly sufficient, they gave numerous suggestions to improving these skills. They listed the implementation of advanced training, teacher qualification regulations and an upgrade of teacher training. In addition, respondents proposed approaching enterprises to support teacher training, attracting experts from the field to teach, and facilitating industry practice. The combination of continued improvements in advanced training and its regulations for VET staff, and a close cooperation with enterprises and stronger emphasis on industry practice should result in enhanced occupational practical skills of training personnel and thus a higher quality of training.

BIBB comment:

The role of in-company trainers needs to be strengthened in Viet Nam. On the one hand, experts from the field should be attracted to teach in schools; on the other hand, the business sector should be encouraged to design and participate in in-company training courses which takes into consideration didactical and methodological requirements when teaching in a real work environment. In Germany, an in-company trainer certificate guaranteeing the technical and personal competence is a prerequisite for any person playing an official role in the training process. The

¹ Circular No. 8 on Standards in qualifications of VET teachers (2017), in: Selected Normative Documents (GIZ ed. 2017).

adapted and “Vietnamized” version of the ASEAN In-Company Trainer Standard should be integrated into the Vietnamese legal framework.

III. Efficient VET Institute Network

- **Recommendation 7: Give High-Quality Colleges a leading role in cooperation and exchange of experience between VET institutes, cooperation with enterprises and further training for teachers.**

MoLISA promoted some VET institutes to reach regional and international levels. These so-called ‘High-Quality VET Institutes’ are an ambitious project for quality improvement in VET in Viet Nam. However, the implementation of high-quality vocational training in High-Quality Colleges and piloting vocational training according to international and ASEAN standards under transferred training programmes from abroad is still slow.

Respondents explain that High-Quality Colleges have an important role as a quality hub for disseminating good experiences and lessons learnt to other VET institutes. Nevertheless, results also show that reputation, cooperation and exchange of experiences between VET institutes is low and further training for teachers is not well developed.

Hence, it is key to strengthen the role of High-Quality Colleges, especially in cooperation with enterprises, and to reinforce experience exchange, for example via train-the-trainer-courses, thus enhancing the range of impact of these institutes.

BIBB comment:

High-Quality Colleges should have the role of a local hub, by being specialized in certain occupational fields that are relevant for the given region. In Germany, those hubs are usually inter-company training centres (ICTC) that have a clear profile; here, funding is provided by the business sector, the federal state where the ICTC is located and the federal government to assure that modern and labour market relevant equipment is available.

IV. VET quality assurance system

- **Recommendation 8: Ensure quality assessment of VET institutes by independent external accreditation and by adjustment to ASEAN standards.**

Development and improvement of the quality of education and training were set as goals in the Viet Nam Socio-Economic Development Strategy for the period of 2011-2020. To develop vocational education accreditation and support the introduction of VET quality assurance, training of accreditors was supposed to take place and accreditation centers should have started to work nationwide. Despite the implementation of three regional accreditation centers (goal defined in 2012²), interview results

² Decision No. 630 on Approval of VT Strategy (Prime Minister 2012), p.6.

show that these institutions have not had much impact on the quality assurance processes for VET institutes.

Respondents evaluate the efficiency of self-accreditation in terms of quality, which became compulsory for colleges, VET secondary schools and VET centers, as average, yet with a positive tendency. Nevertheless, explanations show that self-accreditation is regarded as only a formal task, too complicated, only assessing quantitative criteria, of low participation and not objective.

Respondents evaluate the effectiveness of independent external accreditation higher than self-accreditation, but they also state that such a system is hardly in place with only three independent centers in Viet Nam. Interviewees explicitly state that external accreditation conducted by an independent organization would be more objective. The government should however set up criteria for this independent accreditation institution to assume the responsibility of quality assurance.

It is recommended to incorporate an external accreditation institution to ensure objective quality assurance, while also adjusting the quality standards to those of ASEAN countries.

BIBB comment:

It is advisable that Viet Nam defines quality standards on different levels. On the one hand, TVET institutes can start at a basic level and the better ones can move on to higher standard level in a timely manner. The highest level should be aligned to international quality standards. High quality TVET institutes should strive for international quality standards in focal occupations and offer services for other TVET institutes that help to enhance the TVET system.

V. National Occupational Skills Standards (NOSS) and Learning Outcomes

→ **Recommendation 9: Strengthen the role of the business sector in the development of NOSS and definition of Learning Outcomes to ensure and to push ASEAN integration of Viet Nam.**

It seems to be difficult for the interview respondents to assess the harmonization of the complementary documents of National Occupational Skills Standards (NOSS) and Learning Outcomes (LO). While results are ambiguous in this regard, many respondents still emphasize that enterprises should have a stronger role in the NOSS development process.

Interview results show that the majority of respondents think that the NOSS are contributing to ASEAN integration regarding mutual recognition, transparency, and mobility, at least in some trades. Generally, respondents view the NOSS as a good basis for skills evaluation.

So far, only a small number of NOSS is developed and the number of people taking NOS examination is low, thus it is essential to strengthen the process of NOSS development and NOS assessment. The involvement of all relevant stakeholders, especially the business sector, is key to continue developing NOSS, to contribute to the quality assurance of the Vietnamese VET system and labour mobility in the context of regional and international labour market integration. If the business sector is not involved in the process of developing NOSS, the effectiveness and impact of NOSS is expected be considerably lower.

BIBB comment:

The participation of the business sector in NOSS development and NOS assessment is a key factor in increasing the productivity and competitiveness of the Vietnamese economy. The business sector must be an integral part of the NOSS development process in order on the one hand to ensure labour market relevance to add value to the NOS evaluation process and encourage people to take the NOS exam on the other hand. Furthermore, the harmonization of NOSS and learning outcomes should take into consideration existing industry standards as well as the Vietnamese Qualification Framework to establish a coherent and standardized VET system. This will increase the quality standards for the Vietnamese workforce and their chances in the national and ASEAN labour market.

VI. Cooperation between VET institutes and enterprises

→ **Recommendation 10: Develop a framework for a tripartite cooperation, which is feasible and transparent, engages enterprises in training and links graduates to enterprises that provide training.**

In the last few years, the share of enterprises maintaining cooperation with VET institutes was quite low (approximately 8 % in 2017), mainly by offering internships and practice phases to VET students in about 26,000 enterprises. Although the VET Law has extended the rights and obligations of enterprises, cooperation is still limited. Various legal documents mandate VET institutes to cooperate with enterprises - in making training plans, developing curricula and textbooks, providing teaching, instructing practices and internships, and assessing learners' performance.

Interviewees perceive the impact of legal documents on the engagement of enterprises as rather low. Respondents elaborate that legal documents have only promotional character, there are no

implementation guidelines for practice, and many enterprises do not know about the documents. Additionally, many respondents believe that enterprises are not interested in cooperating with VET institutes as benefits and obligations are unclear to them.

Financial incentives are the most frequently suggested measure to increase the engagement of enterprises in VET. This proposal, together with the development of an appropriate legal framework to engage enterprises in training, is a pressing issue for the VET Strategy 2021-2030.

A tripartite cooperation framework should stimulate greater enterprise-based training and foster involvement of employer representatives, chambers and sector associations in curriculum design, training provision and examinations in cooperation with the VET institutes. The state plays a bridging role in this, but commitment has to be high by all three parties.

Therefore, strengthening the implementation and role of stakeholder boards on the sectoral level is the right way to formalize tripartite cooperation.

BIBB comment

There are two ways to strengthen the engagement of the business sector. First, by establishing a mechanism of co-determination, and second, by creating financial incentives. Co-determination can be reached through establishing stakeholder boards such as a national stakeholder board, sectoral skills councils, and industry boards at TVET institute level where identification of demand and harmonization between stakeholders can take place. Financial incentives can be created through an optimized operational procedure of a tax relief mechanism for training expenses. Furthermore, a direct wage subsidy scheme, paid either to trainees in form of scholarships or training enterprises, might encourage companies to get involved in training. Measures might also differ from sector to sector. In Germany, all companies in the construction sector pay a training levy of 2,1% of the gross wage into a training fund regardless whether they train or not. Training companies for commercial or technical occupations are reimbursed for large parts of training costs in inter-company training centres according to the increasing productivity of the apprentices (10 months in the first year, 4 or 6 months in the second year and 1 month in the third year). Those measures should be incorporated into Vietnamese legal framework.

VII. Increasing VET attractiveness through awareness raising and international cooperation

- **Recommendation 11: Increasing awareness for VET by implementing job counselling and career guidance at an early stage of the educational path. Continue to engage in international cooperation quality improvement of VET.**

Most interview respondents think that 'Open days/career guidance days' are the best instruments to raise awareness for young individuals, their parents and the community. The instrument 'Success stories' is a close second choice. The choice of these two instruments shows that it is important to implement career guidance and job counselling comprehensively. Respondents indicate that especially secondary school students do not receive proper job counselling, which is a crucial time for career guidance in the educational path of young individuals.

Most respondents rate the importance of promoting girls in technical trades (e.g. through Girls' Days or Scholarships communication activities) rather high. In view of the attempts of the government to reduce gender gaps by imposing policies on training and re-training regarding gender equality, it is important to strengthen these instruments and activities.

Furthermore, international cooperation can foster the quality improvement of VET towards modernization. Especially the High-Quality Colleges are a good starting point to provide training with standards recognized by advanced countries in the ASEAN and international community. Interview respondents consider that the international cooperation in VET contributes to improving the VET system in Viet Nam in all five suggested areas: 'Monitoring and Research', 'Teacher and Trainer Training', 'Standard Development', 'Cooperation between TVET institutes and enterprises' and 'Upgrading of school infrastructure and teaching equipment'.

BIBB comment:

Attractiveness of VET is of major importance in Germany. Therefore, government, the business sector and trade unions conduct awareness campaigns together as well as separately. Furthermore, in Germany, the subject of job orientation has been introduced in school curricula from grade 8 onwards to show students the variety of VET. Girls and Boys Days foster the gender balance in the selection of occupations.

VIII. Development of VET Strategy for 2021-2030

- **Recommendation 12: Focus the VET Strategy 2021-2030 on the improvement of training quality and competences (occupational skills and attitude) for workforce and teachers, on reaching the requirements and required qualifications for Digitalization and Industry 4.0 in VET, and on the improvement of governance and cooperation mechanisms with the business sector in VET.**

Interview results show that the challenges of improving quality and competences (occupational skills and attitude) for workforce and teachers, complying with the requirements and qualifications for Digitalization and Industry 4.0 in VET, and the improvement of the governance mechanism and investment in VET are the most relevant topics for stakeholders. Concerning the improvement of quality and competences, it is crucial to tackle the challenge of high number of unskilled workers. In addition, a serious skills shortage and a mismatch of labour demand and supply need to be addressed by focusing on quality improvement measures. These measures should include the introduction of higher requirements in IT, foreign language, and soft skills of teachers and training staff. This is also an important factor for complying with the requirements of digitalization; besides qualified teaching and training personnel, up-to-date training equipment is crucial to integrate the VET system in Viet Nam into a knowledge-based economy.

A major topic for the new VET strategy remains the low level of cooperation with the business sector. The new strategy should emphasize the engagement of enterprises in VET and stress the need for specific incentive policies and measures to encourage enterprises. The cooperation of VET management agencies with other line ministries in the development of VET strategy is also important and should ensure that the VET strategy is linked with the respective industry development strategies.

Another key issue is the national and international competitiveness of the VET system, including the aspects of labour migration and international integration. The advancement of competitiveness of the Vietnamese VET system should form a focal topic in the new VET strategy, and is closely related to quality assurance and the NOSS. The adjustment to regional and international standards is a precondition to provide Vietnamese workers with the ability to compete with an international workforce.

The improvement of the image of VET is another aspect that stakeholders consider important and that should be included in the new VET strategy. The low number of individuals interested in VET, especially VET at the intermediate or college levels, is a great challenge; measures to enhance and improve career orientation should be implemented to convince young individuals to join vocational training. The successful placement of VET graduates in decent jobs is also a crucial factor to improve the attractiveness of the VET.

→ **Recommendation 13: Include the increase of quality of standardized VET-, an increased involvement and cooperation with the business sector in VET and the reform of network planning and the autonomy framework in the ‘Breakthrough VET Objectives’ of the VET Strategy 2021-2030.**

The ‘Breakthrough VET Objectives’ of the new VET Strategy 2021-2030 as suggested by stakeholders in the interviews closely resemble the challenges that were named most frequently. Thus, one of the priorities focuses on increasing the quality of standardized VET training (demand-orientation) to achieve better practical skills and competencies of trainees and a better work attitude. In addition, increased involvement and cooperation with the business sector in VET was perceived as key for the new VET strategy. This implies an improved cooperation between enterprises, VET institutes and the state through concrete policies on cooperation (financial incentives for enterprises, remuneration policies for employees) and defined mechanisms. Therefore, a comprehensive legal framework for the cooperation between VET institutes and enterprises has to be established.

Furthermore, stakeholders suggest to improve the quality and remuneration of teaching and management staff, to improve the image of VET, to strengthen the VET institute network and to improve vocational orientation and counseling as ‘Breakthrough VET Objectives’. Another objective is to set up a comprehensive supervision, forecasting, monitoring and evaluation system for the VET-system in Viet Nam.

All aspects named in the interviews concerning the VET Strategy 2021-2030 together with the results of the thematic chapters point clearly towards the most relevant issues and shortcomings to be considered for the VET strategy development from the point of view of a broad range of stakeholders in the Vietnamese VET system.

→ **Recommendation 14: Focus on cooperative training between VET institutes and enterprises, capacity building for VET staff, integration of digital and green competencies in curricula, strengthening of skills councils and evidence-based monitoring as future areas of intervention for the TVET Programme**

Respondents consider the contribution of the TVET Programme to VET policy making especially relevant in the fields of cooperative training, training of in-company trainers and teachers, the integration of green and digital competencies in curricula, and the participation of stakeholder representatives in skills councils.

Asked about preferred future areas of intervention, respondents most frequently mention the cooperative training, also including the state. Several subtopics are relevant to improve the capacity development in this thematic area. Those include the dissemination of the cooperative training approach to enhance practical skills of trainees: the provincial DoLISAs should receive support in this area to convince other VET institutes to follow this approach. Another option is to give preferential loans to VET institutes that follow this approach to upgrade their equipment. It is also recommended to strengthen the capacity of business associations to follow and support this approach. In addition, it would be beneficial to establish an information system on cooperative training and to document and evaluate this approach in the Vietnamese context. Respondents state that in the long run the cooperative training approach improves competitiveness in the ASEAN and international context and contributes to labour export. Thus, it is recommended that the TVET Programme continue to focus implementing and further developing the instruments and training programmes that have been successful already.

Another important future area for the TVET Programme is training and capacity building of in-company trainers, teachers and management staff. Respondents state that training has to correspond to international standards to achieve a quality improvement, a task in which the TVET Programme already has been active and where further contribution will be appreciated in the future.

The interview results show that the training programme 'Industry 4.0 Training Module' and the training module on 'Environmental Protection, Energy and Resource Efficiency' developed by the TVET Programme are considered as relevant for implementation in other training institutes. The examples at LILAMA 2, HVCT and VCMi where VET Institutes and business sector jointly developed occupational standards and training programmes, also got a mostly positive rating from respondents, which clearly shows the benefits and is overall seen as a success story. Respondents suggest that the model has the potential for multiplication.

The quality assurance instruments of 'enterprise survey' and 'tracer study' are widely known to nearly two thirds of the interviewees and rated as beneficial for evidence-based monitoring of the VET system that should be carried on by the TVET Programme in the future.

While several topics are of major importance for respondents, a strong priority lies on the topic of Digitalization and Industry 4.0. In this respect, respondents indicate that they would appreciate support of the TVET Programme in the field of digital teaching.