SABER-WfD

Workforce Development in Egypt:
Overview of SABER-WfD Diagnostic Tool

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Presentation Outline

– Setting the Stage
– What Is The Value Added Of The Exercise to EGYPT?
– What are the scores for EGYPT?
– What are the key Observations & Policy Implications?
The Egyptian Context

The political dynamics in Egypt since January 2011 has brought tremendous change.

This cross-roads in the country's history provides brings challenges & opportunities for change & potential development.

*The changes have put great emphasis on more social equality & empowering youth.*

*Successfully tackling youth unemployment remains one of the most urgent challenges & accordingly is of high priority on the political agenda.*
The Egyptian Context - Demographics

• Egypt ranks among the highly populated countries in the Arab world 85 million & growth rate of 2%.
• 32% of the population is under 14 years.
• Labour force estimated at 27 million.
• 12+% unemployment rate. 90% of the unemployed Egyptians were between 15 & 30 years old. Average female unemployment rate reached almost 23%.
• 800,000 new entrants to the labor market annually.

➢ The Egyptian educational & training system as well as the labour market are under increasing pressure;

➢ Egypt remains only modestly competitive, according to the 2010/2011 Global Competitiveness Index (GCI), ranking 81st out of 133 countries & further declining 13 placed to 94 out of 144 countries in the GCI for 2011/2012 and again to 107 in 2012/2013.
Key Features of the WfD systems

Egypt

- **Weak Governance structure**, Egyptian government has prioritized workforce development (WfD), but there is little evidence indicating that WfD is aligned with economic development plans; no obvious leadership, no unified strategy, no accountability, and limited coordination;

- **Fragmented and Misaligned system**; lack of funding system/ mismanagement of resources, lack of QA system, lack of QA certification and accreditation, and lack of QA career guidance system;

- **Poor service delivery**; supply-driven curriculum, lack of qualified trainers/ instructors, insufficient practical training, and inadequate linkages with the employers/ labor market, with a number of good practice pilots.

*Ad hoc, isolated islands of good practice; overall set-up rated as “Emerging”*
What Is The Value Added Of The Exercise to EGYPT?

– Serves as platform for deepening dialogue among diverse stakeholders and consensus building on system reform or interventions

– Summarizes a comprehensive assessment of complex landscape of policies and institutions;

– Presents the findings in a systematic manner following the structure of the Conceptual Framework

– Benchmark the current situation against international good practice, leading to actionable areas of improvement
Egypt’s SABER-WfD Scoring Process & Final Results
Key Observations

– does not bring in any surprises.

– All the scores of the 3 functional dimensions are hovering around a 2, “the Emerging level”.

– Egypt has an adequate institutional structure and limited good practice pilots that address issues raised in the diagnosis were conducted over the past 20 years and can potentially be built upon and scaled up based on rigorous evaluation.

  *But it is not working YET*

– Both the detailed data collection instrument and the rubrics used for scoring reflect advanced countries successful policies and institutions, which opens up potential pathways to resolve the challenges at hand.

– Based on global good practice experience, advancing from one level to the next requires time, priority and focus on WfD.

– Reforming WfD related policies, systems and delivery is a lengthy learning process that can only be realized through strong leadership and continuous and timely feedback to guide implementation and adjustments of policy actions.
Final Scoring for Egypt

Emerging ناشئة
Areas of good practice:
- Government acknowledges key WfD problem areas & verbal commitment to address these challenges
- Growing number of private sector employers & civil society involved in WfD though still Limited
- Recent Government commitment in reactivating the SCHRD & establishing the TVET Authority to overlook implementation & coordination

Areas where challenges exist:
- Lack of clear leadership to overlook implementation & ensure coordination
- Absence of one integrated/unified WfD strategy
- Absence of a functional & systematic labor market information system to inform decision making regarding WfD; Lack of systemic M&E & impact assessments for WfD initiatives
- Lack of incentives to encourage or enforce coordination at the policy or implementation level
- Private sector engagement at policy & implementation level is not institutionalized & based on individual initiatives
- Non-functioning training levy & financial cost/benefit analysis

Institutional & contextual factors:
- Lack of clear & sustainable vision & priorities for the overall economic development with implications on WfD
- Lack of coordination among stakeholders/competition among stakeholders
- Lack of holistic vision/policy & comprehensive follow-up measures to address the identified impediments
- Absence of a functional umbrella organization to ensure coordination & synergy
1. Recent decisions to restructure the SCHRD (or similar institutions) and establish a TVET apex-level authority are encouraging within the system framework. YET, to ensure these institutions are functional, a number of provisions are required:

i. a unified WfD vision and strategy aligned with economic development priorities;
ii. Clear roles for agencies involved to improve coordination;
iii. Clear accountability based on agreed inputs, processes, and outputs;
iv. monitoring and evaluation mechanisms with the objective of assessing impact and replicating and scaling —up successful pilots.

2. Growing trend of employer engagement in WfD. Examples include the ETPs, company-based schools & NGO initiatives. YET, they are limited, unstructured and inadequately regulated pilots, a number of actions are required:

i. institutionalize employer involvement in WfD planning, oversight and financing not just at the implementation level;
ii. develop appropriate incentives for further engagement of employers;
iii. promote and regulate Public Private Partnerships (PPP) in education and establish sustainability mechanisms.
Areas of **good practice:**
- **Budgets** for education has increased since the revolution; Increased funding for training for employment since the revolution by the State, and Civil society.
- Establishment of **NAQAAE** in 2005
- Some successful pilots with different **models** (Dual System, alternance, Clusters, PVTd, Don Bosco, apprenticeships...)

Areas where **challenges** exist:
- Mismanagement of **resources** (distribution, different Ministries, bureaucracy, autonomy); scarcity of capital investment in vocational education & training, most of the budget goes to salaries.
- **NQF** not functional; TVET outputs are not defined according to agreed or communicated competency levels or standards.
- **Accreditation standards** within TVET are not periodically reviewed with formal input from external bodies.
- **Limited flexibility** & responsiveness to introduce new programs & close old ones.
- Lack of **vocational guidance**

**Institutional & contextual factors:**
- **Educational & Training Expenditures** low share of as % of GDP.
- **Public Financial Support** Lack of strategically targeted & focus on short-term quick win at the expense of long-term investments in competitiveness.
- Unclear/lack of **Legislation** to encourage formal public private partnerships (PPP) in education & training.
- **Quality Assurance Systems:** NQF still not functional; Weaknesses of the in setting standards & testing them.
- **Public Perception Of TVET:** Lack of focused government actions; difficulty in pursuing further education.
3. One of the weakest features of the system is the financial management aspects: lacking regulations in optimal resource management. Egypt needs to consider:

i. legislation that promotes investment in education and training by non-state providers, and autonomy of public instructions.

ii. diversify the funding sources including restructuring the current training levy to meet the needs of both employers and employees, and use funding mechanisms to create incentives for performance. This should be complemented by a well-designed and practical tool of financial cost/benefit analysis.

4. NSSP & NAQAAE are positive developments; however insufficient for establishing functional quality assurance system (standardization, accreditation and certification). To reach this goal, the following may be considered:

i. NQF as a core mechanism for unifying occupational standards and the recognition of all forms of knowledge & skills acquisition;

ii. improve the labor market responsiveness of training provision and to facilitate the monitoring and evaluation functions at all levels of the system;

iii. improve all aspects of the provision (developing standards, curricula development and training of trainers) according to national standards.
Areas of good practice:
- good practice pilots of sought by students & valued by employers but very limited (Don Bosco)
- Diversity of TVET provision, public, private & non-for-profit
- Sector-based employer led organizations (ETPs)
- Investment by employers in training & education (Orascom, Hedo)

Areas where challenges exist:
- Poor infrastructure in majority of schools & training institutes
- Curriculum development is not flexible enough to allow for better compliance with labor market requirements;
- Engagement is still limited to large organizations
- Lack of qualified & competent teachers & practical trainers; Low salaries for teachers & staff is de-motivating
- Lack of accountability of public institutions at the ministry & school level; Missing links between evaluation outcomes & policy improvement

Institutional & contextual factors:
- Teacher Training System: initial qualification, exposure to industry experience, professional development, and institutional capacity building of schools & training institutes
- Evaluation System: quality system, system-wide assessment
- Vocational Career Guidance & Counseling System
- Legislation: employers involvement.
- Informal Sector: Needs & potential of the informal sector
Service Delivery

5. Lacking labor market information systems: underdeveloped and rarely reaches policy makers. Thus, a need to establish:
   i. a national labour market information system (LMIS) to provide monitoring/data collection and analysis of labour market trends.
   ii. foster a culture of monitoring and evaluation to advance workforce development.
   iii. provide feedback to the training system and thus improve the training providers’ accountability of based on their responsiveness to market needs along the lines of recognized and agreed quality standards.

6. National system for vocational guidance and counseling at an early stage of the learner's schooling.
   i. This would be an integral element of a national strategy for improving the image and status of technical and vocational pathways;
   ii. This would address deep-rooted social and cultural misconceptions regarding the image of TVET graduates and teachers/trainers.
Moving Forward, WfD system would consider the following...

- **Isolated Initiatives** implemented on pilot basis or sectoral orientation, or even championed by employers, including Industrial Training Council (ITC), firms that have collaborated with the ministry of Education (e.g. Americana, Arab contractors, Orascom for Hotels), sectoral organizations like Egyptian Federation of Tourism Establishment, ETPs’, a major forthcoming initiative to establish "Egyptian Labour Bank‘”, and training funding mechanism such as the SDP.

- **NQF** to bring together the efforts in the areas of QA and diversity of pathways such as NAQAA, TSS, and the pilots in PVTD

- **Rigorous M&E set-up**, to ensure systematic feedback cycle between employers and service providers; and effectiveness of incentives provided.

- **Legislative changes** to allow for institute-level autonomy pertaining to sun-rise and sun-fall of programs, as well as responsive mode of income generation and financial incentives to trainers/instructors.

Without an established set-up for accountability, efforts towards strategic framework, systems oversight, vocational guidance, raising of public awareness, and even improved service delivery would at best cases lead to “mixed/emerging” WfD system