Priority Issues in TVET and Workforce Skills Development for Asia in the Global World

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Service Sector



- Labor intensive: growing source of jobs, about 30-40% of all workers in Asia region
- A more productive and dynamic service sector would help sustain the region's economic growth, make it more inclusive, and contribute to poverty reduction _



From Traditional to Modern Services

- Low productivity due to dominance of traditional services (e.g. wholesale and retail trade, and personal services)
- Productivity and value addition are higher in modern services such as knowledge intensive services, which have high importance to Asia (e.g. ICT, finance, legal services, business services, management support)



Human Capital for Modern Services



- Modern service industries increasingly need highly skilled and qualified workers who have also 'soft skills' (e.g. skills for team work, communication, problem solving, management)
- Modern services complement manufacturing sector and can lift the productivity of both manufacturing and service sectors.

Manufacturing

- Moving from vertical supply chains to manufacturing activities which cut across several industries
- Skills development serving clusters of interrelated industries can increase efficiency and competitiveness.





Diversity in Manufacturing Occupations

White Collar



Blue Collar



Gray Collar



The rise of technology in manufacturing requires "gray collar" or "knowledge workers" for higher value-added products that enable economies to avoid the middle-income trap.



Transition from School to Work

- Advanced skills are indispensable for a high-productivity economy while medium-skills workers are key for growth of labor-intensive sectors.
- Skills credentials developed and endorsed by industry are crucial for successful transition
- Education and training institutions should engage industries to jointly develop skills assessment tools which help improve job-readiness of students.





Characteristics of a Competitive Skills Development System

How Systems Operate

- Align industrial, development, and skills policies.
- Develop skills development clusters that support different but interlinked industries.
- Provide multifaceted opportunities (formal education, vocational, in-company training).
- Identify and absorb "relevant best practice" from abroad but adapt to local contexts.
- · Expand skills linked with needs of the economy and society.

How People Benefit

- A meritocracy system rewards skilled workers which incentivizes acquisition of skills.
- Trainers are able to keep up with new knowledge on an ongoing basis.
- · Local community needs are integrated into skills training programs.
- · Workers gain the right portfolio of skills within the workforce.
- Workers have access to multiple pathways to acquire and update skills and qualifications.
- Workers have opportunities for lifelong learning.

Source: Enright, M. 2012. The Role of Skills Development in Competitiveness in Asia. Skills for Inclusive and Sustainable Growth in Developing Asia-Pacific: An International Forum, December 2012. ADB. Manila

Policies and Strategies

Rationale

Possible Benefits

Establish skills development in clusters close to industrial corridors in collaboration with employers.



The skills needs of a group of industry sectors need to be served effectively for economy-wide competitiveness.



Skills development that can serve multiple but interrelated industries means that the workforce can move across different industries based on demand.



Policies and Strategies

Rationale

Possible Benefits

Skills development across the value chain from simple to sophisticated skills levels.



Competitiveness in the main industry may rely upon the competitiveness of the supply chain industries; skills development upstream and downstream are valuable.



Workforce with skills at different levels can be productively deployed. There is more effective development and utilization of the skills at different levels.



Policies and Strategies

Rationale

Possible Benefits

Develop a cadre of "tech workers," along with suitable credentials, to meet the skills needs associated with higher-value and precision manufacturing standards, and qualify for global value chains.



There is a growing trend of assimilating information technologies in the manufacturing environment, with increasing requirements for precision standards.



Economies can move up the value chain with more sophisticated manufacturing capabilities, which are needed to avoid the middle-income trap.



Policies and Strategies

Rationale

Possible Benefits

Blend the development of higher-order services sector skills.



Economies could develop full-sector competitiveness strengths in manufacturing and downstream services sectors. Higher-order manufacturing capabilities open the way to develop higher-order services sector capabilities.



Along with manufacturing, economies can simultaneously build capabilities in high-value knowledge-intensive skills for the services sector, such as branding, advertising, and other knowledge-oriented services.



Policies and Strategies

Rationale

Possible Benefits

Invest in increasing skills and knowledge intensity in small and medium firms.



Informal labor markets dominate the Asian region; small and medium firms do not have adequate resources to invest in building and upgrading skills.



Small and medium firms are vital to increasing creativity and innovation in the economy; therefore, skills development for the small and medium enterprises sector will have good spin-offs.



Policies and Strategies

Rationale

Possible Benefits

Develop skills credentials, qualifications, and assessment systems in partnership with industry.



There is evidence of growing problems of skills mismatch even though investment in education and training has been increasing.



Industry and employer-validated credentials, together with assessment systems, reduces the gap in the transition from training to the work place.



Policies and Strategies

Rationale

Possible Benefits

Develop skills that facilitate linking suppliers and customers, and communicating across cultures.



In an increasingly globalized world, effective communications are crucial for the competitiveness of companies.



Economies can create borderless workforces capable of supporting global value chains; broader and transferable skills are also developed in addition to technical skills.



Skills Development – Building an Eco System

- Skills eco system: Industry for demand side
- Governmet for regulation and affirmative action
- Professional bodies for quality assurance and certification

Constituent Elements

User choice in financing Modernized and & delivery effective LMIS, ICT Competency based training Affirmative action to increase Amplikving tole of industry Qualification Framework participation and jobs Scononic Skills of the Scourt of Schrift of Scourt of Scource of Scourt of Scource of Scour **A Skills Development Eco System**

Skills Development Projects – ADB Approach



Strategy Approach

Move from skills development to workforce development; improving relevance and fit; bridging with the world of work



Process Approach

Innovative delivery of training; modular approaches; work place solutions; participation of private providers; collaboration with employers



People Approach

Work for different demographic profiles; for large populations; disadvantaged communities; life long learning and upskilling opportunities; scholarships, stipends for girls, ethnic groups



Strengthen sustainable financing of skills development but also skills for sustainability has green sectors



Business Approach

Accelerate economic and industrial progress – support core growth sectors of the economy. Redress skills mismatch for employers; leverage new, technologies and ICT

Recent Policy Briefs on Skills



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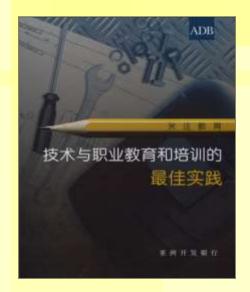
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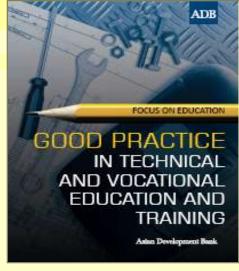
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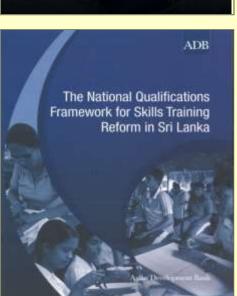
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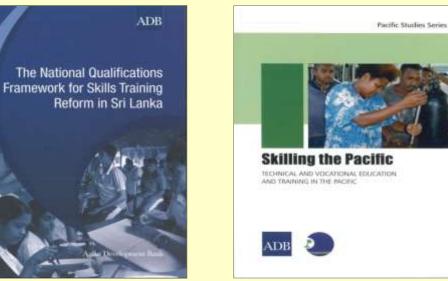
Recent Guides, Books, and Case Studies on TVET/Skills Development



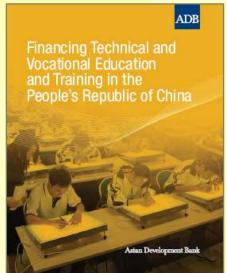












Thank you.

