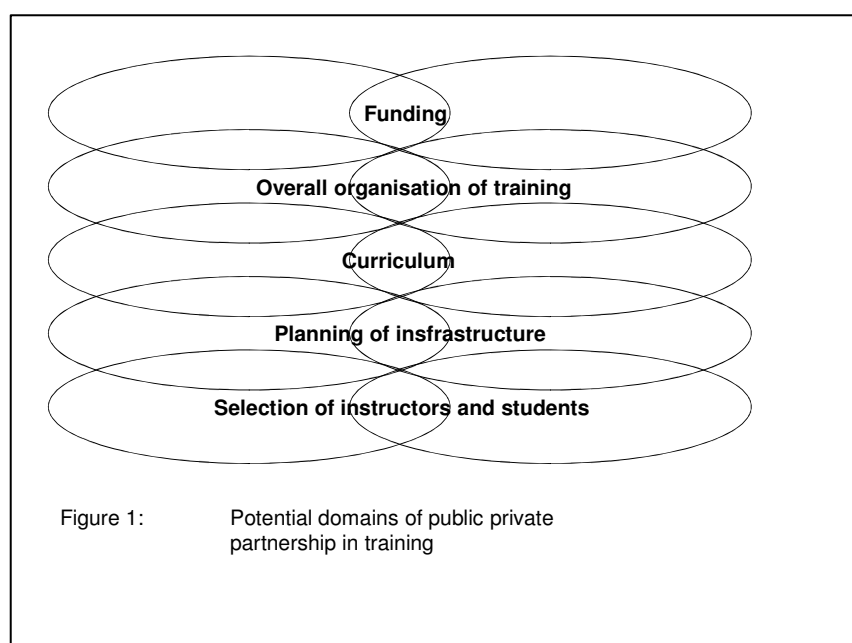


Public private partnership in Vocational Skills Development

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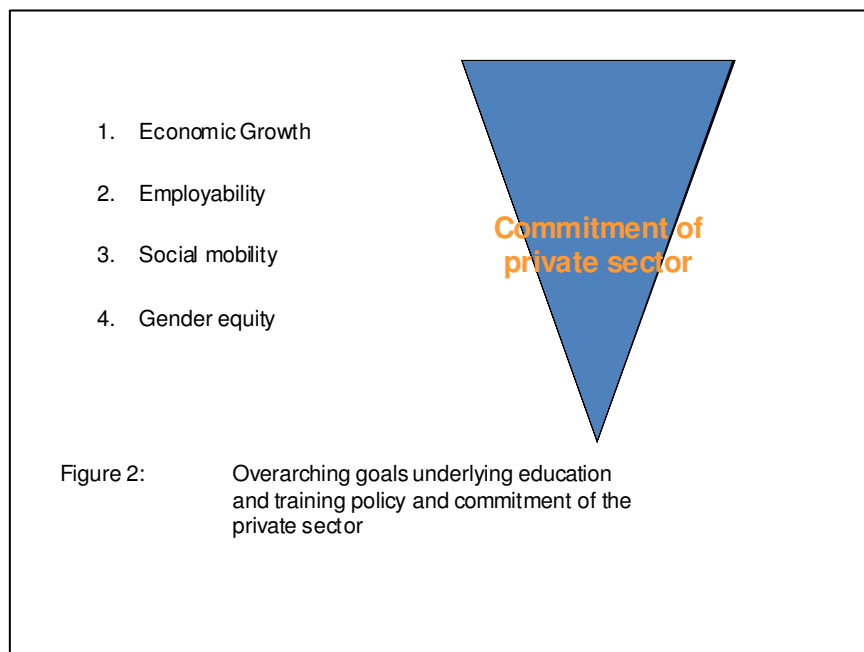
Public private partnership (PPP) has been employed by policy makers and donor organisations as a panacea to solve many challenges related to vocational skills development. Experience, however, shows that effective and sustainable forms of PPP are difficult to implement overnight. In this context, this contribution looks at different schemes of collaboration between public authorities and representatives of the garment industry in Sri Lanka and Bangladesh. Against this backdrop, the author suggests that any effort related to PPP needs to be based on a careful analysis of existing training programmes offered by the public sector and of human resources development strategies of specific industrial sectors.

Fostering public private partnership (PPP) has been an important topic in the domain of vocational skills development (VSD) policy for a long time, both in highly industrialised and economically less developed countries. Unsurprisingly, PPP has started to be viewed a panacea for many problems in the sector; in fact, often references have been made to a small number of model-like best practices in only a few countries, many of which are characterised by political and economic contexts that have very little in common with those where development organisations actually operate. Furthermore, much attention has been devoted to those PPP schemes that attempted to promote joint funding for training programmes by state agencies and firms or associations in the private sector. However, PPP can also include cooperation in various domains of policy implementation, such as the definition of organisational and curricular aspects of training, the planning of infrastructure development and the selection of students and trainers (see figure 1).



Today, the evidence from various developing countries suggests that schemes which promote joint funding from private and public sources are difficult to implement and often fail. In contrast, experience shows that cooperation in the other domains is more likely to succeed; however, the material interests of the different stakeholders and the human resources development (HRD) practices in the industry (such as

recruitment, training and promotion methods) need to be taken into account in the planning process. In fact, the cooperation between actors in the public and the private sector is often hampered when public authorities aim at economic and social objectives that are not being shared by the key actors in the private sector (see figure 2).



Such challenges may be briefly detailed by referring to a number of schemes in Sri Lanka and Bangladesh that are based on agreements between representatives from the public and the garment industry, an industry, in which tremendous liberalisation has taken place in the past few years and vocational skill development thus has become more important. In

Bangladesh, such joint programmes were difficult to establish. The reasons for this are manifold and can be summarised as follows: on the one hand, most public training programmes have, despite high social demand by students, not catered to the economic demand by the industry; on the other hand, most industrialists made their profits, over many years, without employing educationally accomplished or vocationally trained staff and without investing considerable resources into training. Thus, early schemes for cooperation that were developed by donor agencies in the beginning of the 1990s failed after only a few years; later on, under the impression of liberalisation looming, donors and the government initiated training programmes for sewing operators in close cooperation with industrialists, who got also engaged in developing course material and – to some extent – financed some machinery. However, these programmes mainly catered to the short-term interests of a small number of industrialists and made no contribution to the skill base of the industry – and were not sustainable.

Comparatively more effective forms of collaboration between representatives of the public and the private sector were, however, formed in Sri Lanka. The reasons for this were, again, manifold. Certainly, the fact that the industry was dominated, at an early point in time, by entrepreneurs who found it important to employ educationally accomplished and formally trained staff was crucial. In fact, these industrialists were either local entrepreneurs who had profited from import-substitution policies in the 1960s and early 1970s or by foreign direct investors who had profited from the open economic regime from the late 1970s onwards. Both groups of entrepreneurs have traditionally considered investments into human resources to be important. Quite early, this made it easier for the Sri Lankan authorities to launch programmes at the craft, technician and at the professional level that would, over the years, start to cater to growing economic demand and to involve private sector representatives into planning and partially financing and implementing training programmes. In recent years, at the craft level, entrepreneurs have started to provide machinery and consumables to vocational training centres that are willing to train the recruits of their factories along the curricular guidelines defined by their HR and production departments. At the technician level, the representatives of the private sector have an important voice in the board of the main garment training institute; they also donate, from time to time, machines and consumables to the institute and willingly offer positions for in-plant training as they view this as a means to employ the best graduates – and to have better access to consulting and

other services of the institute. Furthermore, at the main technical university of the country, the umbrella organisation of the garment industry has been involved into setting up a fashion degree programme and now closely monitors its implementation, in order to make sure that students learn what the industry expects. Beyond that, the university has become an important instrument for the industry to establish various links to partners and lobbyists close to its markets in the West, which has strengthened the interdependence between the industry, the university and other training organisations.

Public private partnerships, thus suggest these experiences from South Asia, can't be forged overnight, particularly if they include any form of financial commitment by the private sector. The developments in Sri Lanka show that PPP needs to be built on a basis of mutual trust and on a common belief that investments into HRD and training are important to sustainably raise the competitiveness of an industrial sector. Generally, sustainable PPP arrangements only emerge if the private sector has made the experience that the public authorities are genuinely interested in developing relevant skills – and if the entrepreneurs can satisfactorily show that they have a long-term commitment to training that benefits the entire industry, and not only a few prominent business people with direct access to politicians and public servants. Thus, if PPPs lead to curricula which focus on up-to-date, relevant knowledge and skills and on the respective attitudes for the world of work, to the involvement of instructors with work experience in the respective economic sectors and to a student intake which is ready to join the respective economic sector, PPP can, indeed, effectively contribute to the labour market socialisation of young people.