▶ Policy Brief

September 2020

▶ Effective governance and coordination in skills systems: towards a lifelong learning ecosystem

Key points

Due to the growing interest in lifelong learning (LLL), ILO member States and social partners are increasingly asking for advice on how to improve governance and coordination in skill systems. Skill systems are often fragmented and involve many actors: different government ministries and departments, employers, workers, research and regulatory agencies, public and private training organisations, employment service providers and regional and local authorities. Coordination between these organisations at national, sub-national and local levels is a key challenge for governments looking to strengthen TVET and skills systems and promote LLL. Recent research by the ILO, UNESCO and other international organisations highlights the importance of coordination and demonstrates how more effective coordination can have tangible positive effects on governance and key areas of policy and practice. Whilst coordination is clearly an important factor, it needs to operate alongside other key conditions to deliver improvements to governance. The research also demonstrates that coordination is more important for some key functions and processes in TVET and skills systems than it is for others. This policy brief looks at why coordination matters what stakeholders can do to ensure improved coordination delivers measurable outcomes, and how improved coordination can lead to the establishment of a LLL ecosystem that better supports individuals and enterprises to navigate the world of work and learning.

The challenges of governance and coordination

Several key challenges influence the effectiveness of governance and coordination in skill systems. These include:

▶ complex institutional arrangements with competing organisational mandates;

▶ weak inter-ministerial coordination of overlapping policies and strategies;

▶ limited coordination of resource mobilisation and policy implementation; and

▶ the challenge of developing integrated policies that address the complex needs of diverse stakeholders in different contexts.

As we will explore in this note, all of these challenges are interconnected yet important in their own right. In many low and middle-income countries (LMICs), fragmentation persists across multiple ministries resulting in parallel or contradictory policies and strategies, financing, programmes and projects. Such fragmentation has negative implications for coordinated action and development, with flow on effects for legislation, planning, information and monitoring systems, and ultimately, the efforts of various institutions to align the supply and demand of skills. It also frustrates participation by employers and worker organisations, who are not always able to engage with the issue of skills development in a direct and effective manner. It also means that skills issues are not tackled in an effective and systemic way. In

Photographer: Crozet M.

general, there is a need for greater policy convergence and mutual reinforcement across different policy domains to better link the access and acquisition of skills to their utilisation in the labour market and society more broadly (ILO, 2011; ILO, 2010; OECD & ILO, 2017).

Mobilising and coordinating resources and efforts at regional and local levels is often frustrated by a lack of coordination and communication between stakeholders. In most low and middle income countries, service provision involves multiple entities operating under the control of distant authorities at the national level such as the ministries of education, labour, agriculture, trade, tourism, as well as large civil sector and private organisations. Other critical actors at regional and local level also tend to operate independently, including municipal authorities, employment offices, TVET providers, enterprises, guidance centres, youth centres and NGOs. When asked about effective policy making at the national level, employer organisations have highlighted 'poor system coordination as the most significant obstacle' (ILO 2020a). The lack of coordinated service delivery at the regional and local levels is often a direct consequence of arrangements at the national level writ large, where organisational silos are deepened by numerous layers of bureaucracy and local coordination among different actors' is weak.

The lack of national coordination and weak governance also limits the capacity of TVET and skill systems to meet the needs of specific target groups, with different agencies and programs often competing for the same beneficiaries at the local level. Complex demographics, unequal access to learning and work, weak social capital, economic informality and geographical isolation are factors which reinforce the need for coordinated diagnosis and targeted policies. Moving from a one-size-fits-all approach to more flexible and responsive policies and programs requires more than good intentions. Coordinated efforts must exist to diagnose issues, target measures, and combine the efforts of diverse public and private actors for improved service delivery.

Skills production and utilisation is both a national and local issue, shaped by the needs of enterprises and the wider economy, and influenced by the local training offer and local public administration and services. TVET and skills systems therefore encompass macro, meso and local dimensions including sectoral and regional policies, existing business setting, job structures, type of skills formation (e.g. apprenticeships, non-formal

learning) and enterprise HR practices. They therefore demand effective infrastructure and communications to enable digitally supported learning and networking between providers, enterprises and industry stakeholders. Introduction of digital and blended learning and the career guidance also requires improved coordination and governance to successfully support skills formation and recognition, an issue brought to the fore during the COVID-19 pandemic.

The lack of effective governance and coordination in skill systems can constrain enterprises wanting to increase their productivity and rate of innovation. An enabling environment that includes local education and training institutions supporting a human centred approach is a fundamental precondition. Coordination and governance should optimise conditions for the development and utilisation of skills needed by the economy in a way that addresses the need of individuals for long term employability and career stability. Stimulating alliances between national and regional actors, between enterprises and local service providers and across private and public domains is a key priority but also a significant challenge in our increasingly complex world. In a recent review of various national case studies, the OECD identified four main challenges to effective governance in skills systems:

▶ the promotion of coordination and cooperation across government;

▶ engagement of stakeholders throughout the policy cycle;

▶ creating integrated information systems; and

▶ coordinating financial arrangements (OECD, 2020).

The World Bank has also highlighted the link between governance structures and the effective utilisation of resources in skill systems (World Bank 2014). Taken together, these different organisational perspectives clearly reflect the ILO's own experience and reinforce the call for a broad and inclusive policy process that develops a clear vision and agreement amongst a wide group of stakeholders to address governance and coordination issues in the bed and skill systems.

The importance of an agreed national vision

Agreement at national level across ministries and agencies is essential for successful implementation of well-coordinated skills and lifelong learning strategies. Multi-stakeholder endorsement involving the social partners, is essential to guarantee long term commitment across successive governments and to enable continuous and incremental improvement in a system. This type of high level agreement can take the shape of a national skills policy, agreed strategies for the reform of education and training or guidelines for

shared assessment and certification frameworks. It is important that such overarching national agreements enable organised cooperation between stakeholders and adopt a holistic perspective incorporating national, regional and local levels.

Agreements involving multiple actors should be developed through a broad and meaningful process of social dialogue. They should clarify common goals, objectives and outcomes, and detail levels of responsibility and resourcing for each stakeholder group and organisation. They can cover aspects such as mechanisms for multi-stakeholder collaboration; standards for learning and employment outcomes; and funding criteria and budgets to enable cooperation between public and private stakeholders. The more well defined the responsibilities and channels of communication are, the more likely the agreement will promote effective governance. This is particularly important for agreements under pinning efforts to strengthen LLL. National agreements also provide the public with assurances that government is working effectively with other key stakeholders in the economy and society more broadly.

However, national agreements on policy and strategy do vary. Some consist of shared statements on the vision and goals for system development and provide a general umbrella for policies in different sectors such as education, training, employment and industry policies. They may also provide considerable detail regarding interaction between policies and reforms, set targets and performance indicators, assign responsibilities and resources and prescribe governance mechanisms. Very frequently, they originate from a specific system reform or policy initiative, which provides a platform for wider dialogue between critical stakeholders. This approach can be seen in the decentralisation reforms in Italy and France which provided the basis for redefinition of responsibilities and reinforced coordination and governance arrangements between employment services, TVET, education and guidance providers. (ILO & UNESCO 2018)

Agreements on priorities and coordination mechanisms should be based on an accurate diagnosis of the needs of different target groups. Such diagnosis must incorporate the perspectives of social partners to identify critical issues, priorities for action and possible policy responses. Understanding the diverse needs of learners in initial and continuing education and training is particularly important when strengthening LLL arrangements.

It is also important that relevant authorities are willing and able to share data to improve the evidence base for decision making. Coordination during the diagnosis stage and ongoing policy process provides a sound rationale for the definition of agreed priorities, policy

Box 1: National Lifelong Learning Policy of Korea

In February 2018 the Ministry of Education announced the Fourth National Lifelong Learning Promotion Plan (2018-2022), followed shortly by the Lifelong Learning White Paper. During the first three plans the National Institute for Lifelong Education and 17 local Lifelong Education Institutions were founded and a lifelong learning promotion system was established. This included the establishment of lifelong learning cities, linking lifelong education to academic credits, the introduction of Korean Massive Open Online Courses (K-MOOCs) and the establishment of a national lifelong learning portal.

To devise the Fourth Plan, the Government of Korea diagnosed existing challenges and emerging trends. It analysed variations in participation rates according to educational background and income, developed options to improve programme flexibility, identified weaknesses in local governance of LLL and proposed options to increase funding. It also reflected on critical changes to occupations and work, the "Fourth Industrial Revolution", and changing demographics. 'Career resilience', 'customised learning' and 'self-reliance' key all terms used in the Fourth Plan. Plan which addresses the LLL needs of the population as a whole and due to careful diagnosis and emphasises LLL opportunities for the underprivileged and those with disabilities. As a result of their long-term approach to strengthening LLL, the rate of participation in LLL in Korea has steadily increased from 26.4% in 2008 to 40.4% in 2016. (ILO & UNESCO 2020)

measures and governance mechanisms adapted to local needs and capacities. By making TVET and skills development an effective driver of a country's economic and social development, skills planning must take into account wider socio-political and economic policies and draw on the active involvement of the private sector. This requires new collaborative modes of stakeholder involvement, but in doing so, the coordination challenge becomes more difficult. (ILO 2019).

The 2002 UNESCO and ILO Recommendations for Twenty-first Century TVET emphasises the need for partnerships in the sphere of policy, planning and administration. The recommendations states that although "governments carry the primary responsibility...in a modern market economy...policy design and delivery should be achieved through a new partnership between government, employers and others" (2002, p. 2).

In order for partnerships with social partners to be successful there may be a need for governments and policy makers to cede space (and power) within the system. (ILO 2019) Progress on designing and implementing skills development strategies also depend on governments welcoming the involvement of employers and workers and being prepared to relinquish, at least in part, the central role they have played in supply-driven systems. (ILO, 2019).

In many countries there is a lack of political will and commitment to enable workers' organisations to engage in social dialogue. Laws at the national level often make no provision for the involvement of workers' organizations in regulatory and/or consultative bodies related to skills development and lifelong learning (ILO 2019). This has a direct impact on governance

in a system and constrains balanced dialogue on skills issues. Regardless, the importance of engaging employers and workers in governance and coordination in skill systems has been clearly recognised by the G20 group of countries (see Box 2).

Making governance and coordination more efficient and effective

Multi-Level Governance

Many countries have established different mechanisms to improve coordination in TVET and skill systems. The ILO's Recommendation 195 concerning Human Resource Development notes that effective coordination mechanisms should be established at various levels: at the national level to promote inter-ministerial coordination and policy coherence; at the sector level for sharing information on skills demand and training quality to improve planning and delivery; at the local level for aligning training to the needs of the local labour market; and at the regional level for promoting recognition of skills and labour mobility (ILO 2005). The 2008 Conclusions on Skills for Improved Productivity, Employment, Growth and Development also noted that skills development policies should strive to maintain a balance between decentralised and centralised authority in order to be responsive to local labour market needs (ILO 2008). As such, institutional arrangements are a key factor in effective governance and coordination at different levels in the system. Institutional arrangements at different levels can include national councils, inter-ministerial

---

Box 2: Participation of social partners

A strong partnership between government, employers and workers is an essential feature of an effective and enduring bond between the world of learning and the world of work. This involves sound funding arrangements in order to provide the right incentives to all parties to invest in the right skills mix at the right time. It also involves the participation of employers' and workers' representatives in the design, implementation and evaluation of skills policies. This participation may take a number of institutional forms including national, regional and sectoral councils, boards and committees. Social dialogue and collective bargaining at the enterprise, sector and/or national levels are highly effective in creating incentives for investment in skills and knowledge. These processes can create a broad commitment to education and training and a learning culture, strengthen support for the reform of training systems, and provide channels for the continuous exchange of information between employers, workers and governments.

Source: G20 Task Force on Employment 2012.

---

apex bodies, sector skills councils and local bodies or TVET institutions with multi-stakeholder boards of management (ILO, 2010).

Regardless of which structures are in place, they should work to develop effective "skills ecosystems", where the link between the development and the use of skills is emphasized and different institutions work together to address local needs (OECD-ILO, 2017). Skills ecosystems consist of social, political and economic settings within which skills are developed and deployed (Buchanan, 2017). Besides local issues linked to local business needs, skill ecosystems encompass macro conditions linked to institutional and political contexts. These macro conditions can include agreed national visions and plans, and sector or regional development strategies.

Co-ordinated approaches across training, employment and economic development can help to create an environment where firms recognise that investments in skills development "pay", and make good business sense. This is particularly the case at the local level where workforce and economic development initiatives, use local legislation and administrative policies to promote local skilling and career initiatives.

Complex and fragmented institutional arrangements not only generate coordination challenges but also have an effect on governance. To address this, the concept of multi-level governance is particularly useful. Multi-level governance is understood as a process-driven approach for governing through shared responsibility and coordinated action. It has been defined as an arrangement for making binding decisions that engage a multiplicity of politically independent but otherwise interdependent private and public actors at different levels in more or less continuous negotiation, deliberation and implementation (Schmitter, 2004). As shown in Figure 1, good multilevel governance aims to
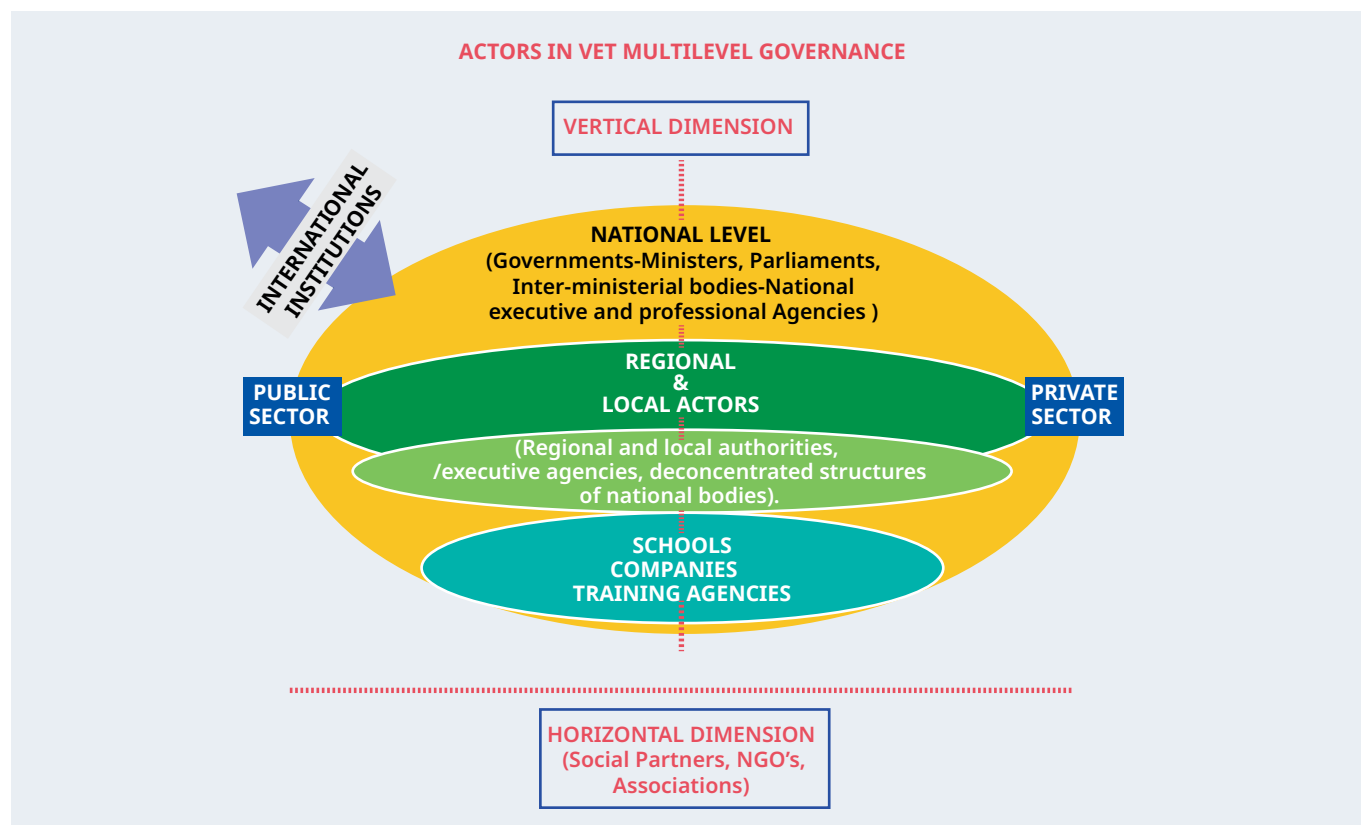
reinforce interaction and participation of stakeholders whilst improving, accountability, transparency, coherence, efficiency and effectiveness of TVET and skills policies (ETF 2016). Good governance in TVET and skill systems is thus based on coordinated action that involves public and private stakeholders at all possible levels (international, national, sectoral, regional/local, provider) for planning, implementation, monitoring and review.

By their very nature skill systems are complex and involve many actors who's responsibilities are often associated with the education and training needs of individuals at different stages. As a result, when we speak of a LLL ecosystem we need to address the challenge of coordination on a broader scale across different education and training sectors involving schools, TVET, universities, adult learning and labour market training. Coordination of lifelong learning thus not only covers the interaction between different government ministries and agencies at the national, subnational and local level but also, interaction with social partners such as employers, trade unions and civil society organisations.

Effective Communication

Smooth coordination and cooperation between stakeholders is largely dependent on clear and effective communication. A key component of effective communication is the sharing of information between public, private and civil society stakeholders. For example, agreement between social partners can be hard to accomplish without common access to key information enabling effective design and mobilisation of resources. Statistical data and diagnostic analysis identifying issues, beneficiaries and contexts of intervention need to be shared between stakeholders to generate agreement on targets to be met and

▶ **Figure 1: Multi-Level Governance (ETF 2016)**

ACTORS IN VET MULTILEVEL GOVERNANCE

VERTICAL DIMENSION

INTERNATIONAL INSTITUTIONS

NATIONAL LEVEL
(Governments-Ministers, Parliaments,
Inter-ministerial bodies-National
executive and professional Agencies)

**REGIONAL
&
LOCAL ACTORS**

PUBLIC SECTOR

PRIVATE SECTOR

(Regional and local authorities,
/executive agencies, deconcentrated structures
of national bodies).

**SCHOOLS
COMPANIES
TRAINING AGENCIES**

HORIZONTAL DIMENSION
(Social Partners, NGO's,
Associations)

strategies to achieve them. This was a key success factor identified by ILO research on skill needs assessment and anticipation (ILO 2017a).

In skills systems it is important that information on the learning and career pathways of individuals can be shared across institutions to ensure consistent provision of services. In Latvia, for instance, social security services, public employment offices and NGOs share user information, to enhance tracking and tailoring of outreach and adult learning. (ILO & UNESCO, 2018)

Digital technology can also empower skills ecosystems by enabling flexible engagement of learners and workers and facilitating contacts amongst critical stakeholders. Recent ILO and UNESCO research has illustrated that learning pathways along the life course can be digitally supported from initial career guidance, to skills development and recognition, the awarding of qualifications and ultimately job placement. (ILO & UNESCO 2020). In this way digital technologies can help activate national and local networks of providers and empower learners in owning and directing their own career processes. Issues linked to digital certification must also be resolved to ensure integrated systems for the assessment of learning outcomes and the verification and awarding of credentials.

Record sharing implies, nevertheless, that legal conditions for the management of individual data are met and that there exists an agreement on how the information is shared and which standards are used. To ensure effective referrals between service providers across the life course it is important that guidance, recognition of prior learning, TVET and training services utilise the same standards to documents learning outcomes and use templates which allow for the integration of complementary data and processes.

While full integration of services can be enabled by shared information systems, recent research on coordination of diverse programming at national and regional levels demonstrates that effective communication can be established with lighter arrangements. Finland has effectively used decentralisation of governance through regional fora to ensure smooth communication between local stakeholders with regular information sharing a key priority. (ILO & UNESCO, 2018) Such networks, whether digitalised or not, require real world cooperation engaging service providers and social partners to strengthen lifelong learning.

Photographer: Crozet M.

Demand Driven Financing

Ensuring good governance and coordination in skills systems is heavily dependent on stable and effective financing. At national and sectoral levels it is important that there are agreements between social partners on the priorities to be addressed. Ensuring effective participation of employers in regular TVET funding through levies and other fiscal mechanisms, or through co-funding of SME training, requires effective social dialogue at both national and regional level (ILO 2017). As investments in skills are often supported by sectoral initiatives or active labour market programs of limited duration, sustainable funding for TVET and skills development tends to require long term understanding between social partners, such as those demonstrated by some of the well established sectoral funds in Europe and Latin America (see ILO 2020).

Providing non-financial support to enterprises so they can plan their staff development and training investment is also important and requires appropriate governance arrangements. Generally this will entail coordination of TVET funding with national and regional mechanisms to support SMEs, such as local development offices or local employment services.

Effective financial support to individuals also requires good regional and local governance. Experience in the implementation of personal training accounts in France has demonstrated that successful interventions rely on coordination between social support structures, employment offices, guidance centres, and TVET providers, who pool efforts and communicate effectively to tailor individual learning pathways linked to the learning entitlement. The French experience also illustrates how decentralisation can be used as a tool for more effective governance and program management when basic entitlements and standards are centrally agreed. (ILO & UNESCO 2020b)

Models of governance and coordination

National Approaches

Strategic leadership is key for the success of a well coordinated skills system. In a review of 12 national skills policies, the ILO found a range of institutional frameworks for managing systems and noted a common recommendation was the establishment of a multi-stakeholder apex body to improve coordination and governance of the system (ILO 2013). However, they

also noted significant differences in the autonomy and responsibilities of apex bodies in various countries, with some being fully autonomous or semi-autonomous or only advisory in nature. Some countries have decided that the apex body should manage all key subsystems like qualifications, quality assurance, financing etc. with subsidiary bodies/committees to manage those sub systems. Other countries have established independent bodies for managing these subsystems. (ILO 2013) Many systems also utilise other institutional arrangements for governance and coordination. A review by ILO and UNESCO in 2018 identified six major types of coordination mechanisms:

▶ Type 1: led by the ministry of education or equivalent body.

▶ Type 2: led by the ministry of labour or equivalent body.

▶ Type 3: led by a dedicated TVET ministry.

▶ Type 4: led by a TVET focused government agency or non-departmental public body.

▶ Type 5: overseen by a coordinating council or apex body higher than the relevant departments.

▶ Type 6: disaggregated across line ministries without a permanent centralized coordination mechanism. (UNESCO-ILO, 2018) [1]

What emerged from the ILO/UNESCO review was that one coordination mechanism did not necessarily deliver better results than another, but rather that there were certain important features that had to be present for any model to be successful. These critical features are shown in Box 3.

Social partners, including employers, trade unions and civil society organizations, are often present on inter-ministerial coordination bodies with responsibility for TVET and skills development. The greater involvement of these actors, especially employers, can lead to improvements in the provision of more relevant and responsive training. However, if their involvement does not deliver such results, questions should be asked about the nature and extent of their role, whether the right stakeholder representatives are involved, the degree to which their voices are heard, and whether their participation is intended to deliver genuine multi-level governance or simply to give that impression.

Sectoral Approaches

An increasingly popular approach to social partner engagement is through sectoral approaches which often involve the establishment of sector or industry skill councils with clear governance roles and responsibilities in the system (see Box 4). Sector skills bodies are sector-based organisations that bring together employers' and workers' representatives, government and education and training institutions to address skills issues in one or more industry sectors. They address coordination challenges at a sectoral level by establishing a forum for action at a more meaningful level for employers and workers in the specific sector/s. SSCs are led by, and serve the interests of, employers and workers

---

Box 3: Key Success Factors in National Governance

Responsibility underpinned by authority - the effectiveness of a given approach in coordinating the work of different ministries and government agencies will depend heavily on the authority it has to do so.

Clarity of role and purpose - inter-ministerial coordination is more easily achieved when the role of each actor is clearly defined.

Nature of consultation and coordination mechanisms – these are only effective when they have authority, clearly defined functions, meet regularly and serve common interests.

Culture of governance - since a governance culture cannot be changed overnight, the existing culture needs to be taken into account in the establishment of coordination mechanisms.

Competition/influence over funding - a key factor in the success of inter-ministerial coordination is control over funding.

Integrated HRD system with joined-up pathways - an integrated HRD system across public services and ministries can have a positive impact on inter-ministerial coordination.

(UNESCO-ILO, 2018).

---

1 As of 2019, examples of each type included: Type 1 (the Russian Federation and Turkey); Type 2 (Malawi and Tunisia); Type 3 (India and Burkina Faso); Type 4 (Jamaica and the Philippines); Type 5 (France and Bangladesh); Type 6 (the Republic of Korea and Canada).

Photographer: Crozet M.

organisations in the sector/s. They do this by identifying skills priorities and issues in the sector and by leading initiatives and programs to address them. In addition, these SSCs broadly seek to develop and promote skills development in their respective sectors. In some countries, they exist as committees of government agencies, but in others, they take the form of permanent and independent bodies. Sector skills bodies have a long history in some countries (UK, Brazil, Australia, South Africa, the Netherlands and Canada) or reflect recent governance reforms in others (Ghana, Ethiopia, Jordan, India, Vietnam and Indonesia).

Several key governance issues need to be considered when sector skills bodies form part of institutional arrangements. These include the extent to which their

---

Box 4: Sectoral Approaches

Sectoral approaches are most effective when they:

▶ are based on close collaboration between the social partners at national and local levels.

▶ use bipartite or tripartite sectoral councils to match sectors' demand for skills with training provision, anticipate future labour market and skill needs, and assess the quality and relevance of training programmes.

▶ recognize each stakeholder's roles, rights and responsibilities in promoting a lifelong learning approach to meet sectors' skill needs, and

▶ Embed sectoral approaches to skills development within long-term national growth strategies, thus linking (national) top-down and (sectoral) bottom-up training strategies.

Source: G20 Training Strategy

mandate encourages active industry engagement; whether their roles and responsibilities influence key parts of the skills development system; whether they have a secure funding base and the extent to which they have access to technical support or assistance during their start-up phase. A limitation of SSCs is that they represent the interests of a single sector or group of sectors, and thus the number of SSC, the sectoral coverage they have and the governance roles they assume have to be carefully considered in the context of system wide reforms.

Regional and Local Arrangements

International experience indicates that the responsiveness, operational efficiency and effectiveness of public TVET institutions are enhanced by the devolution of governance, management and financial responsibilities to the institutional level. Consequently, skills development reforms in many countries aim to give greater autonomy to public training institutions and link these reforms to the establishment of institutional boards of management involving key local stakeholders including employers. (ILO, 2013) In such cases, stakeholder boards have been given responsibility for governance so that operational decisions are informed by those closer to the labour market, rather than by ministry officials located in administrative centres far away. (ILO, 2019) However there are several issues related to the decentralization of governance to the level of institutions. These include:

1. the need for results-based management linked to accountability systems that give central/regional government confidence to devolve authority, especially for financial decisions;

2. the extent to which the new roles and responsibilities of the board are clear, accepted by those involved and based on transparent decision-making;

3. the need to give suitable representation of external stakeholders, at the same time as being aware of existing local power dynamics (e.g. in some countries, the local preference may be to appoint a traditional leader as the chairperson even though they may not be the most suitable);

4. the need for the boards to have political autonomy and capacity to operate independently;

5. the need to strengthen the management and governance capacity of senior managers and board members and to introduce more agile procurement systems;

6. the need to ensure strong local coordination and to support of local "skills ecosystems", (ILO & OECD, 2017).

These more autonomous institutions can then be encouraged to operate as anchor institutions in local skill ecosystems by offering a range of services that meet local needs and improve the governance and coordination of skills development at the local level (see Box 5).

Box 5: Anchor Institutions in Local Skill Ecosystems

The Centre of Excellence for Leather in Bangladesh (COEL) was established in 2009 by the Leather Industry Skills Council (ISC) and was registered as not-for-profit organisation under the Companies Act. Its main objective is to increase and improve the overall skill level of the leather sector workforce and to meet the sector's immediate and long-term skills needs. To achieve this, it operates as one-stop solution for enterprise-driven training, research, course curriculum development and other skills issues facing the leather and leather goods sector in Bangladesh. Since establishment it has developed its capacity through various international accreditations and a range of public private partnerships (PPP). It works closely with key stakeholders in the major production clusters surrounding Dhaka and Chittagong to support the growth of enterprises and the sector more broadly. It develops policies and procedures, performs advocacy on skills and productivity issues, and monitors enterprise skill development practices in the sector. Its services have grown to include:

▶ Training of managers and production workers, including through a sector specific apprenticeship program;

▶ Enterprise specific training, in areas such as environmental management, labour law, social compliance, fire and electrical safety, and occupational health and safety;

▶ Design and product development services like basic and advanced product design training, grading and pattern making;

▶ Consultancy services such as business planning, training needs analysis, project proposal development, training manual development, and tracer studies; and

▶ Research, statistical and data services. (ILO 2019)

Photographer: Crozet M.

Practical steps towards effective governance

Commission analysis of current governance and coordination arrangements at the national, regional, local and sectoral levels

In order to understand key issues associated with governance arrangements and structures and to identify what needs to be strengthened or reformed, a wide ranging situation analysis should be undertaken. The analysis should cover a wide range of issues including the identification of key stakeholders involved; the extent to which they are excluded or marginalized from the structures of governance; the allocated roles and responsibilities and the degree of clarity and accountability surrounding them. It should also examine the extent to which polices, programmes, providers, legislation, and financing support LLL, and the extent to which management and resource allocation decisions occur at the level where they can be have the most

impact. It should also review the level of autonomy granted to education and training institutions, including the extent to which social partners have influence over their operation.

Identify management and governance reform options

Once the situation analysis is completed it should be clear why reforms to governance and coordination arrangements are required if at all. For example, there may be an identified need to improve coordination or policy coherence across ministries to support LLL, promote a move towards decentralization, or involve a wider range of social partners in more meaningful ways. It is important to note that changing institutional arrangements may not necessarily be the answer as making existing arrangements more effective can be an equally valid alternative (ILO & UNESCO 2018). At this point it may also be useful to examine the experience of comparable countries to identify reform options and critical issues linked to these options (e.g. capacity strengthening, legislative changes etc). Through this

Photographer: Crozet M.

process the goals and objectives of governance reform should be clear to all to ensure shared vision and commitment.

Develop an implementation plan that how the new arrangements will be introduced

Whilst many of the key steps to implement governance reforms are similar to those required by other reforms, some are more specific to governance. Lessons from other countries' decentralisation reforms for example, suggest there are at least four key components:

▶ A clearly communicated and coordinated reform vision, with a strong change management plan;

▶ Clearly described roles and responsibilities;

▶ A capacity building plan for individuals involved in boards and management teams, and the staff of national skills agencies who support them; and

▶ updated information and monitoring systems. (ILO & UNESCO 2018)

Ensure coherence across services by establishing conditions for effective communication

Successful implementation of a governance framework that supports LLL relies on the efforts of different public services, private organisations and civil society. This requires the use of common tools, frameworks and channels and linked to agreed roles and responsibilities. This means for example, that there are clear program and support pathways for individuals that providers use common lanuage and standards for skills and qualifications, that referrals between services and providers are complimentary and that all involved have clear expectations and knowledge about agreed processes and outputs. Digital tools greatly contribute to the creation of overall coherence and increase efficiency within the system, by allowing traceability of individual learner information and avoiding unnecessary duplication of services provided. Greater coherence

Photographer: Crozet M.

also ensures that services are correctly "stacked" and sequenced. These new arrangements need to be complemented by appropriate social marketing that clearly communicates the new approach to those involved.

Ensure effective monitoring

It is important to ensure there is a robust monitoring and evaluation (M&E) framework in place. The type of M&E framework developed will depend on the type of governance reform(s) being implemented. For example, with reforms focused on improving inter-ministerial coordination, "success" can be measured by reviewing the extent to which national, regional or sectoral polices and programmes, are aligned. For a shift to sectoral approaches, it would be possible to monitor the extent to which any new institutional arrangements (like SSC) provide meaningful and clear roles and responsibilities that deliver increased industry engagement (ILO, 2019).

Other Key Strategies to Ensure Effective Governance

▶ **Encourage and facilitate social dialogue on TVET and skills development** and support workers and employers to participate as key actors within policy processes and dialogue on governance and coordination issues.

▶ **Review institutional arrangements and governance partnerships**, including the effectiveness & performance of national and/or sectoral bodies.

▶ **Update legislation, regulations and other instruments** to strengthen governance and support LLL. These include soft deliberative tools such as memorandums of understanding, joint, frameworks of action, etc.

▶ Enhance the roles of regional and local actors through **decentralisation, delegation or devolution** while giving TVET institutions more **managerial, educational and financial autonomy for local partnerships.**

Conclusion

In many countries, skill systems are fragmented and involve many different actors. Government ministries and departments, employers, workers, research and regulatory agencies, public and private training organisations, employment services and regional and local authorities can all play important roles in a skill system. However, coordination of the interactions between them at national, sub-national and local levels is a key challenge for governments looking to strengthen TVET and skills systems and promote LLL.

This policy brief has reviewed the key issues that affect governance and coordination in skill systems and has proposed a number of measures and principles through which reforms can take place. It has drawn on recent research by the ILO, UNESCO and other international organisations to highlight the importance of coordination and demonstrate how more effective coordination can have tangible positive effects on governance and key areas of policy and practice in skill systems. Whilst improved coordination is clearly an important factor, it needs to operate alongside other key conditions to strengthen governance. When multi-level governance is supported by effective communication, sustainable financing and effective coordination, it has the best chance of supporting the establishment of an LLL ecosystem that enables individuals and enterprises to more effectively navigate the world of work and learning.

Photographer: Crozet M.

Key ILO Resources:

ILO (2020). Review of Skill Level Systems in Countries of the South African Development Community

—— 2020a. Report on the Involvement of Employer Organisations in the Governance of Skills Systems

—— 2020b. Sector Skills Councils: A Policy Brief

—— 2019. Trade Union Involvement in Skills Development: A Policy Brief

—— 2017. Upskilling SMEs: How Governments Fund Training and Consulting.

—— 2017a. Stakeholder Survey on Skill Needs Anticipation: Systems and Approaches

—— 2013. Comparative Analysis of National Skills Development Policies: A Guide for Policy Makers

—— 2010. A Skilled Workforce for Strong, Sustainable and Balanced Growth: A G20 Training Strategy

—— 2008. Conclusions on Skills for Improved Productivity, Employment Growth and Development

—— 2004. Human Resources Development Recommendation, 2004 (No. 195)

ILO & UNESCO (2020). The Digitalisation of TVET & Skill Systems.

—— (2020a). A Review of Entitlements to Lifelong Learning.

—— (2018). Taking a Whole of Government Approach to Skills Development.

ILO & OECD (2017). Better Use of Skills in the Workplace: Why It Matters for Productivity and Jobs

Other References:

Buchanan, J. et al (2017). 'Skill Ecosystems', in the Oxford Handbook of Skills and Training.

ETF (2016). Governance for Employability in the Mediterranean, European Training Foundation.

OECD (2020). Strengthening the Governance of Skills Systems: Lessons from Six OECD Countries.

Schmitter, P. (1997). Defining, Explaining and Using the Concept of Governance, Stanford University.

World Bank (2014). Financing TVET at in the East Asia and Pacific Region.