



Tailored Vocational Education and Training for
Increased Competitiveness and Sustainability of Business Companies of Armenia

RUEA Position Paper on Vocational Education and Training System in Armenia

This position paper is discussed with RUEA staff and Board members and is approved at RUEA Board meeting on January 2013.
The Paper should serve as a basis for development of RUEA policy in VET and social dialogue with VET institutions.

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Within the framework of “Partnership Project Employers’ Associations Caucasus” German Project.

RUEA Position Paper on Vocational Education and Training (VET) System in Armenia

The goal of the position paper of RUEA is to elaborate possible ways of reaching a consensus on the development of RUEA policy and the VET system. The main objectives of the VET systems are the following:

- Rating and reviews of VET and Competitiveness and future of Armenian companies
- Identifying professions and qualifications necessary for a competitive economy
- Setting target standards for skills and abilities of young professionals after completion of VET
- Creating vocational training schemes for and with companies of Armenia
- Incorporating and building on the international experience, including German dual education

RUEA provides evidence-based analyses and provides the discussion of issues within the scope of the social partnership. Allocation of the modest resources for VET by the government of Armenia doesn't allow improving the education quality, to acquire up-to-date equipment and to use more effectively the existing resources. Besides financial problems, there is a problem of improving the relations of the VET with various sectors of economy-- through involvement of employers/business sector.

In spite of the ongoing reforms the problem of skills inconsistency in Armenia cannot be solved. Students prefer more make investments in the higher education, and not in VET system, which leads to the growth of higher education sector and unbalanced demand in the labour market. Due to the fact that the society and educational system favour not VET system but academic education, then the serious issue of skills inconformity and ongoing migration is still salient in Armenia. All the above factors affect negatively on the skills, especially in case of Armenia, with the low level of the income.

The long-term unemployment rate is quite high. It may indicate that the certain sections of the population cannot acquire new skills needed for the market economy. In the total number of unemployed, the number of the long-term unemployed is about 60%. As an unintentional consequence of saturated higher education system, the trained educated labour force (albeit with skills and knowledge not capable to compete in the market economy) becomes an obstacle for the development of enterprises and it makes 25%. Yet, there already



Republican Union of Employers of Armenia was established on 15 November 2007, in accordance with the "Labor Code of RA" and the requirements of the law on "Employers Unions" (adopted in 2007 by the National Parliament).

Republican Union of Employers of Armenia is a self-financing, self-governing non-profit organization, which involves 5 sectorial, 6 regional associations and direct members.

Based on presented sectorial and regional associations and direct members, the number of RUEA members is more than 10000. The number of direct members is 250, mainly micro, small and medium enterprises.

THE MISSION

To be an influential organization ensuring the continuous improvement of business environment in the country.

THE VISION

Promote the competitive and sustainable business development for creation of prosperous and decent work in the country.

are national standards for qualification certification in Armenia.

The private sector participates more and more in development of curriculums. The participation of employers is an ongoing process which may lead to the corresponding systemic actions and have positive consequences for all the VET system in the long-term. This process may change the terms of internship of students in the enterprises, which, on its turn, may improve the effectiveness of the training process considering that many VET Institutions are not able to implement it on their base due to the fact of not being properly equipped. RUEA will take on the role of the top management and oversight in this process and will control all this process, accrediting beforehand some VET institutions and employers. That will allow implementing new model of multi-level management in various sectors and VET institutions. It will be necessary to retrain teachers, trainers and administrators of educational institutions and certain categories of personnel.

It is needed to strengthen the collaboration between the Ministry of Education and the RUEA (at the national level) and at various levels for further reforms and actions. The RUEA also will assist in implementation of leading global practices, such as for instance the German dual system, and use a possibility of participation in thematic platforms of the EU as well in the framework of “Partnership of Mobility of the EU ”signed by Armenia in 2011, and conduct a dialogue on issues related to the increase of effectiveness of migration management and problem solving concerning skills.

VET system has a difficult challenge in its environment; technological changes directly affect VET, variations at the labour market, and adjustments in the branches of economy, changes in organization of work and labour migration as well. Naturally, lecturers and administrative employees of VET institutions and the Ministry do not know everything about changes at the labour market and skills consequences which can occur. The RUEA can become a special informational channel and a tool for making necessary decisions in order to ensure that employers obtain skills as demanded, the RUEA also will correct curricula. Successful practical training which favors mastering skills cannot be performed effectively in educational institutions because of old equipment and because lecturers and trainers still carry the old mentality to knowledge and teaching.

Implementation of new normative and legal acts in the past has helped increase the participation of employers in social dialogue in the past. It became possible to think about expectations of the business sector and about the results of training. Standards and new curricula were developed. The main challenge, however, was that everything had to

RUEA STRATEGIC PRIORITIES

- Institutional strengthening and Effective Governance of Employers’ Organization
- Conducive environment for business
- Promotion of favorable business environment
- Social dialogue on Education – labor market cooperation
- Promotion of “Decent Work” conditions
- Occupational health and safety
- SME development
- Women entrepreneurship development
- Export promotion
- Support to industrial projects in Armenia
- Promotion of regional development programs
- Cooperation development with foreign employers’ associations
- Strengthening social dialogue in the regions of Armenia
- Cooperation with international organizations



be implemented during training practice at an educational institution, and it is time to consider appropriate methods of training at workplaces. Normatively- legal acts and standards can be applied only if trainers, lecturers and administrators of educational institutions are prepared for performance of new tasks. VET institutions should be equipped with new methodological approaches and a new set of training results (including technical, individual and social skills). It is not possible to achieve stable results if actions are based only on new legislation, normative and legal acts, curricula and etc. All this represents only one part of VET. For effective operation of legal acts it is needed to improve quality of teaching. The RUEA will help eliminate this shortage with the help of specialists of its member-organizations and industrial polygons of employers.

The Ministry of Education and the VET institutions should understand that it is necessary to use the present situation as a chance to promote cooperation with the labor market in particular with the RUEA. Practice and traineeship increase the importance of skills obtained by trainees. Teaching entrepreneurship cannot be reduced to only formal training in a classroom.

Business sector is a good training environment for training entrepreneurship and it can be performed with the help of the RUEA. Besides, the RUEA will conduct applied studies, qualitative and quantitative evaluations which will help build appropriate research potential and also diversify members in various branches.

Conclusion

Currently the influence of labour market, technological development, employment and migration is being more significant on the VET system. These mechanisms need to be updated and in the future will lead to development of new VET policy and more effective implementation of reforms by the social partners.

The optimization of certain immediate specializations and corresponding VET institutions will, transform them into excellency centers in one or several directions, creating a quality assurance system. The attractiveness of VET system is going to increase in Armenia. The expectations of students and employers will be satisfied.

RUEA will acquire experience and knowledge on enhancement of relevance of VET. RUEA will update and develop the mechanisms for revealing the current and future needs in skills under the conditions of rapid changes in the labour market and in economy.

RUEA'S INTERNATIONAL PARTNERS

1. International Labour Organization
2. International Organization of Employers
3. World Bank
4. United States Agency for International Development
5. International Monetary Fund
6. United Nations Development Program
7. Dutch Employers Cooperation Program
8. German "Friedrich Ebert Foundation"
9. Bildungswerk der Wirtschaft Mecklenburg-Vorpommern
10. Latvian Employers' Association
11. Centre for international Migration and Development
12. PUM - Netherlands senior experts
13. European Training Foundation
14. European Bank for Reconstruction and Development
15. Senior Expert Service (SES)

RUEA is a member of International Organization of Employers (IOE) since April 2011. IOE has 150 members from 140 countries.



Besides, RUEA will acquire elaborated consulting system on issues of labour activity for assisting in selection of the corresponding methods - by submitting relevant information on the labour market and promotion of professional growth management and self-assessment tool.

RUEA will promote the implementation of information and communication technologies for reflecting the changes, occurring in the work environment. RUEA will focus on the deficient professions due to the lack of qualified personnel.

RUEA actions to be taken

1. Improve the professional orientation of young people
 - Meeting with employers in schools and organizing visits of students to enterprises, starting with 8th class students.
 - Formation of groups - from the educational institutions and employers - for concrete professional training.
 - Legislative changes in the educational sphere with the objective to make internship at workplaces compulsory.
2. Establish a list of 15-20 needed professions for 2013, and doing targeted curriculum development:
 - Formation of group of RUEA experts
 - Development of curriculum
 - Selecting VET institutions according to the needed professions
3. Select enterprises and accredited them to hold educational sessions for students in their premises
4. Amend the Labour Code, and relevant legal acts and articles to include internship as part of education
5. Conduct oversight and management on the education of 15-20 pre-selected professions by RUEA
 - Accreditation of VET institutions
 - Strengthening of RUEA training center opened in the end of 2012
 - Selection of enterprises with internship possibility
 - Training of VET directors
 - Provision of educational literature
 - Provision of training equipment
 - Improvement of methodology of teaching
 - Equipment maintenance
 - Students distribution at enterprises
 - Employment of students
6. Conduct on-going review of business and labour market requirements; create a database depending on a development plan of a region of Armenia, a branch and an enterprise

ADVANTAGES OF RUEA MEMBERSHIP

- Opportunities for development of cooperation and business network
- Updated information on business legislation; participation in discussions on draft laws, forming of viewpoints on legislation improvements and unified presentation to the State bodies.
- Awareness on various business forums, exhibitions, awards, round tables, conferences and business proposals about internal and external markets.
- Being part of numerous events, discussions, meetings, business visits, study tours, including abroad in the scope of cooperation with foreign employers' associations and other partners.
- Participation in trainings in the scope of EU Eastern Partnership (EaP) program, as well as development of B2B network with similar enterprises abroad.
- Participation in joint discussions with state bodies and trade unions in the scope of Social Partnership
- Consultancy on business related legislation, development and implementation of various regulations for companies.
- Participation in trainings organized by RUEA with local and international experts in the field of social partnership, occupational safety and health, management, quality management, good practices, etc.
- Opportunity to provide recommendations and get involved in development of educational curricula and standards.
- Developing network with various educational institutions (universities, vocational schools and colleges).
- Free publications (brochures, guidelines, handbooks, books)

7. Motivate employers for participation in VET processes

- Round tables and private meetings
- Legislative amendments in tax system
- Issue of brochures about a role of social partners in VET
- Organization of job-fairs
- Involvement of business: technical assistance, funding, consultation, publication, forming of commissions
- Exchange of experience

8. Analyze training needs of current business structures to remain competitive

- VET – Employer cooperation promotion
- VET - Labour Market requirements continual review
- Increase of efficiency for educational standards development
- Development of intermediate evaluation processes for educational standards efficiency
- Evaluation of employers requirements according to developing spheres, establishment of criteria

9. Adoption of RUEA's current paper on VET system

- Implement PR campaigns
- Lobbying
- Consultation with participation of international experts
- Adoption of this Paper by social partners and amendment of the legislation
- Action plans
- Conclusion of results
- Monitoring by the RUEA- improvement
- Resources provided by RUEA: technical, human, financial, consulting

With the purpose of coordination and awareness it is necessary:

- to form a workgroup in the sphere of VET inside the RUEA including RUEA members in VET DN Council
- to provide the Position Paper to employers who are members of Management Boards in VET institutions
- to organize VET round tables with participation of social partners and other beneficiaries

Current Position Paper has been developed by RUEA chairman Gagik Makaryan.

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OTHER INFORMATION

- RUEA is the member of tripartite social partnership Committee established by the Government of Armenia in the scope of National Collective Agreement signed in 2009.
- RUEA is a member of National Agreement Committee in the field of employment promotion.
- RUEA is a member of VET Development National Council established by the Government since 2008.
- RUEA has recently been included in SME support council and in development process of new SME policy and SME strategy.
- RUEA has launched cooperation with German GIZ, in the fields of labor market – education cooperation, green economy, various publications.
- RUEA has been involved in Committee of prevention of trafficking and human abuse, under the Government.
- RUEA is actively participating and cooperating with mass media releasing various articles on tax reforms, equal competition issues, tax collection process, education labor market cooperation, foreign investments, business culture.

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