Technical and Vocational Education and Training (TVET)

Public Private Dialogue Outcome Report

The Importance of Labour Market Information (LMI) in Raising Awareness for TVET Planning and Promotion

The Economic and Social Council of Jordan (ESCJ)

Supported by
Employment in Jordan 2030 Project (EJ2030)

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ACRONYMS

AQACHEI	Accreditation and Quality Assurance Commission for Higher Education Institutions
DOS	Department of Statistics of Jordan
EJ2030	GIZ-implemented Employment in Jordan 2030
ESCJ	Economic and Social Council of Jordan
GIZ	Gesellschaft für Internationale Zusammenarbeit (German Agency for International Cooperation)
JCI	Jordan Chamber of Industry
JCC	Jordan Chamber of Commerce
LMI	Labour Market Information
LMIS	Labour Market Information System
MOE	Ministry of Education
MOHESR	Ministry of Higher Education and Scientific Research
MOL	Ministry of Labour
NCHRD	National Centre for Human Resource Development
PPD	Public Private Dialogue
SSC	Sector Skills Council
TVET	Technical and Vocational Education and Training
TVSDC	Technical and Vocational Skills Development Commission

EXECUTIVE SUMMARY

The GIZ-implemented Employment in Jordan 2030 (EJ2030) project works with the Economic and Social Council of Jordan (ESCJ) to facilitate national public-private dialogue (PPD) on employment policy and future of work practices.

One of the topics identified for dialogue is related to technical vocational education and training (TVET), in particular the poor public perception of TVET as a promising career option. This, in part, is because of a lack of labour market information (LMI) and mismatches on the supply and demand side.

In order to attract young people, the PPD established a consensus that comprehensive, fit-for-purpose, and user-friendly LMI is indispensable in raising individual and collective awareness about the importance of the TVET sector, its contribution to economic and business growth and employment, and the opportunity and value of identifying promising future-oriented careers. Improving the availability of LMI is meant to develop a pathway for raising awareness among the public, especially soon-to-be school graduates and their social environment to make better informed decisions on potential TVET opportunities and careers.

The 'Jordan National TVET Strategy 2023-2027' of the Technical and Vocational Skills Development Commission (TVSDC) works with stakeholders to improve the collection, analysis and dissemination of such LMI.

As part of this endeavour, the PPD addressed current LMI gaps on the demand and supply side, data sources, data analysis and labour demand forecasting to complement existing LMI and make better use of LMI through analysis and dissemination of reports.

Regarding demand side LMI, **it was agreed that existing surveys** (such as the "Labour Force Survey" and the "Employment in Establishments" by the Department of Statistics (DoS)) **should be extended to capture additional data in the future**. The PPD welcomed the planned establishment of a National Data Center by DoS and stressed the need for the centre to be closely linked to the Labour Market Information System (LMIS) currently being established in the Ministry of Labour (MoL).

As for supply side LMI, **it was agreed that TVSDC will follow-up on the inclusion of such data through information obtained from career guidance and counselling services.**

With regards to labour market demand forecasting, **it was agreed to develop a 'Barometer of Occupations and Skills (BOS)' as a perception-based, employer-led instrument within the Jordan Chamber of Industry (JCI)**. Additionally, the PPD recommended to include macroeconomic modelling of future economic growth/decline in related economic sectors in relevant national entities to complement the classification of future occupations, specialisations and qualifications in the Barometer.

INTRODUCTION

The GIZ-implemented Employment in Jordan 2030 (EJ2030) project works with the Economic and Social Council of Jordan (ESCJ) to facilitate national public-private dialogue (PPD) on employment policy and future work practices.

One of the topics identified for dialogue is related to technical vocational education and training (TVET), in particular the poor public perception of TVET as a promising career option. This, in part, is because of a lack of labour market information (LMI) and mismatches on the supply and demand side.

TVET is considered an important element for the development of a well-trained, highly-skilled, and diverse workforce. A key focus area is revamping the TVET structure into a demand-driven system that will supply the market with a skilled workforce in line with employers demands and TVET learners' career aspirations. The goal is that by 2033 the number of enrolled vocational school students per cohort will increase from currently 10% to 50%.[1]

As is the case in many countries, despite the opportunity to make a significant contribution to economic prosperity, TVET has played a marginal role compared to general and academic education sectors. This marginalisation can, in part, be assigned to deep rooted issues associated with a poor public perception of TVET. It is regarded as an educational stream for learners who perform poorly in secondary education and do not make it to the academic stream of upper secondary education. Due to this very low reputation of TVET, most young people in Jordan aspire to academic education with the TVET sector being widely regarded as a second choice, or even a last resort.

In addition, TVET systems are known to be under pressure to deliver graduates meeting the labour market demand. There is therefore, an identified need to develop stronger LMI capacity and confidence on both demand and supply sides, as well as a more effective utilisation of LMI describing current and future skills needs. This will go a long way in contributing to the change in perceptions and raise public awareness on opportunities available in TVET and especially in TVET-specific occupations.

LMI is collected through surveys and studies by specialised national entities, such as the Department of Statistics (DoS) and the National Centre for Human Resources Development (NCHRD), which include data on the labour force, economic establishments, job opportunities, labour market reports of the formal sector, and labour market supply and demand gaps. The Social Security Corporation (SSC) is a source for administrative data (e.g. tax and social security). The Technical Vocational Skills Development Commission (TVSDC) through National Sector Skills Councils (NSSCs) is mandated to provide LMI for better alignment of TVET programmes with labour market needs, to specify priority skills, identify skills gaps, and produce economic scenarios and forecasts for labour market supply and demand. TVSDC and the NSSCs usually assign NCHRD with the collection and analysis of such data. The organised private sector (Jordan Chamber of Industry (JCI) may provide data on labour demand, and public TVET providers regularly update data on the number of TVET learners and graduates.

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[1] Government of Jordan: (2022) *Economic Modernisation Vision: Unleashing potential to build the future*; (2021) *Economic Priorities Plan 2021-2023*

Thus, Jordan possesses a host of statistical data, which however, is scattered and insufficiently analysed, whilst some useful, mostly opinion-based LMI, potentially from the private sector and from TVET consumers, is missing. As a result, the TVET sector is currently inadequately organised to respond to labour market demand and supply in a systematic way. As such, it is very challenging to match the TVET programmes with actual employment opportunities and prospective TVET learners' aspirations.

The 'Jordan National TVET Strategy 2023-2027' of TVSDC has identified a number of LMI indicators and works with stakeholders to improve the collection and analysis of labour market data. This will include activities related to the collection and compilation of the required data, the development and use of analytical capacities and tools, as well as institutional arrangements and networks.

BACKGROUND

Jordan's population has more than doubled (from 5 to more than 10 million) over the past two decades. The economy has not been performing well-enough and strong

enough to create enough jobs proportionate to the population increase. This is due to a variety of reasons including the most recent compound effect of the Syrian crisis and the Covid-19 pandemic that reflected on declining economic opportunities; especially for the youth. As it stands right now, the unemployment rate in Jordan is still above pre-pandemic levels (22.3% in Q3-2023) with youth unemployment exceeding 40% for those below the age of 29 years old. Jordan sets an ambitious target of 1 million jobs by 2033.

TVET occupies an important role in addressing the disruptive impact of youth unemployment, which represents a significant threat to economic prosperity and social cohesion. In addition, countries increasingly look to manage their demographic transformation towards a youth and urban based society. Through promoting the successful transition from general education to TVET and employment, the role of TVET is an important component in addressing socio-economic challenges. This includes supporting the supply of skilled workers in a range of priority sectors. High quality, relevant and inclusive TVET has a key role in the realisation, or unlocking, of economic ambitions.

The successful enhancement of TVET can empower youth and lifelong learners with the skills and competences they need to transition to employment which is one of the three main pillars forming the Jordan National TVET Strategy 2023-2027 aimed at leading to enhanced and sustainable economic and social prosperity. In addition, TVET is an important gate-keeper for self-employment and entrepreneurship.

Investment in education and workforce development has been a priority for Jordan. National, local and individuals' economic prosperity is closely linked to functioning labour markets that support employers in attracting and accessing appropriately prepared school leavers and individuals in choosing careers that reflect their skills and ambitions.

PPD OBJECTIVE

The overarching objective of the PPD has been to develop a pathway for raising awareness among the public, especially soon-to-be secondary school graduates and

their social environment about the importance of TVET for them to take more informed decisions on career opportunities in TVET and matching their interests with TVET offers. The direct objective has been to achieve consensus and make recommendations on which relevant labour market information and data needs to be collected, analysed and communicated to ensure that prospective TVET learners are well informed, and the supply of TVET graduates, their qualifications and competences, match the demand in the labour market.

The PPD therefore sought to review commonly applied LMI extracted and analysed from existing sources and to identify ways to complement such data and information with additional, mainly opinion-based information from employers, supply-side information from TVET consumers, and potential initiatives to forecast labour demand.

The PPD aimed to consider, recommend and agree (on):

- The extent to which the proposed LMI and data might already be covered in its entirety or in part by existing surveys and studies.

- The possibility of extending existing surveys to include specific data and information.

- The need for additional surveys, studies or initiatives to be undertaken to address the supply side.

- The responsibility for designing and conducting additional survey(s), their frequency, and financing needs.

- Models and responsibility to forecast labour market demand.

PPD METHODOLOGY

The PPD methodology took into account that the preparation of the actual dialogue to arrive at consensus and recommendations was of overarching importance. In line with the established methodology and process for PPD (below), the tasks commenced in

May 2023 with desk review, research and analysis of existing literature followed by bilateral meetings with key stakeholders.
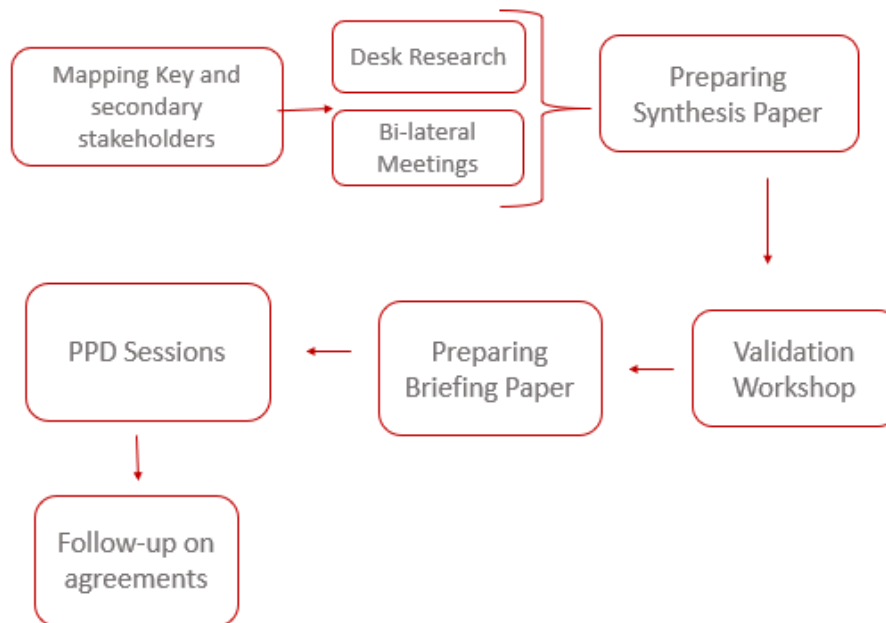
Following desk research and bilateral interviews, a synthesis paper was drafted that fundamentally summarised the positions of the private and public sector. This paper was discussed and ratified at validation workshops with representatives from the public and private sector. On the basis of recommendations of the validation workshops, a briefing paper was drafted to set out the agenda for the final PPD session.

PPD OUTCOMES

All stakeholders welcomed the ongoing efforts to establish a labour-market information system (LMIS) in the Ministry of Labour (MoL) which will collate and make accessible labour market data from key data producers in Jordan, such as the Department of

Statistics (DoS), Social Security Corporation (SSC), the Technical and Vocational Skills Development Commission (TVSDC), Ministry of Education (MoE), Ministry of Higher Education (MoHE) and the National Center for Human Resources Development (NCHRD).

Consensus was reached on the need to (1) capture additional demand and supply side LMI as well as (2) forecast labour demand in order to better match TVET programmes with actual employment opportunities and the aspirations of prospective TVET learners.

1- Demand Side LMI

The PPD highlighted that methods of analysing the Jordanian labour market typically include employer reports on skills shortages and hard-to-fill vacancies; retraining and skill upgrading needs for speeding-up inter occupational turnover; and analysis of supply-demand mismatches. In addition, studies can reveal the areas and volumes of public TVET offerings and decide on variables, such as the number of job openings by industry and occupation; the ratio of training applicants to TVET capacity; and the proportion of trainees that found jobs after training. Partnerships between companies and training providers in a defined range of programmes can be useful in assessing their future needs and making arrangements with individual providers for the timely supply of graduates.

The PPD called for LMI on the demand side to include:

a) LMI on specific workforce needs for the period of three years, such as vacancies, specialisations, and level of education by occupations.

b) Recruitment practices; such as portals (e.g. employment offices, advertising, personal connections, networking; preferences (e.g., Jordanians or foreigners per occupation and qualification, gender); and barriers (e.g. social security costs, lack of technical and/or employability skills, negative attitude towards work).

c) Satisfaction of employers with TVET graduates' competency by occupation and qualification.

d) Availability of training facilities at the workplace (such as training department/centre) for initial and further training.

e) Familiarity with TVSDC and in particular, the requirement of workers in the TVET sector to hold a certificate of practice issued by TVSDC.

Agreement

It was agreed that existing statistical surveys (such as the "Labour Force Survey" and the "Employment in Establishments" by the DoS) should be extended to capture such additional data in the future. According to DoS, additional resources need to be secured for this purpose. This additional data can very well feed into and complement existing and regularly conducted labour market studies, such as Sector Skills Gaps Analyses by the NCHRD.

Recommendation

The PPD recognised that the establishment of a National Data Centre by DoS is very important for improving the availability of LMI in the future and underlined the need of a close link of the centre to the planned LMIS.

2- Supply Side LMI

Supply-side indicators determine the structure of the labour force. However, it was highlighted that existing LMI does not fully recognise the role of TVET consumers (prospective and current TVET learners) in deciding on TVET careers. Demand-side LMI alone might not be sufficient to make the TVET sector more attractive as a potential career option for young people completing or exiting general education.

PPD participants agreed that there is a need to gauge the interest of prospective TVET learners and the experience of current workers and trainees in the TVET sector.

This includes information, such as:

- Interest and motivation for working in the TVET sector;
- Objections for not choosing TVET as a career (which may include negative perceptions about TVET occupations, cultural barriers, and access limitations);
- Reasons for 'drop-outs' from training programmes;
- Participation ratios of adults in continuing education (share of workers upgrading their skills annually);
- Training received within the last year (institutions, technical and soft skills);
- Contribution of the training in securing employment (in the field of specialisation or other employment) or self-employment.

The PPD emphasized the importance of capturing such information in a systematic manner in the future. At the same time, the PPD could not establish a unanimous concord on how to capture such data and information. Proposals ranged from one-time 'snap-shot' studies to regular surveys among school leavers and current TVET learners by education and training institutions.

Agreement

A workable proposal was considered by maximising the national career guidance and counselling services as a promising source for such data and information. The TVSDC is currently coordinating the development of the National Strategy for Vocational and Occupational Guidance and Counselling that also includes capacity development to career counsellors and relevant stakeholders. This initiative holds promising potential for the development and application of a uniform framework and instrument to capture supply-side LMI. As the coordinating body for the strategy, TVSDC will follow-up on the inclusion of supply-side LMI through career guidance and counselling services while further developing and finalising the strategy. Lessons learned from capturing supply-side information on prospective TVET learners, current workers and trainees through national career guidance and counselling services will contribute to developing a systematic approach for capturing such information.

3- Forecasting Labour Demand

The PPD highlighted that statistical data alone does not generally aim to advise TVET systems directly and does not produce demand estimates, hampering optimal skilled labour supply to plot for matching the provided programmes to actual employment opportunities and prospective TVET learners' aspirations. Therefore, the professional TVET systems requires fit-for-purpose TVET related LMI and must analyse and

interpret additional LMI containing estimates of anticipated demand for skilled labour. It was recognised that the ultimate purpose of labour market analysis is to make predictions about future demand and supply and imbalances through identification and modelling past trends from existing and additional sources. Forecasts could also be produced for recent and expected future employment opportunities, future vacancies, qualifications, and earning levels and could be analysed against the current supply to overcome future mismatches.

In addition, stakeholders of the PPD drew attention to the fact that the interaction between economic trends (globalisation, service orientation), technological trends (diffusion of information and communication technologies), and labour organisational trends (growing need for flexibility, restructuring of labour market regulations) is bound to bring about rapid changes in the occupational environment and especially in the field of skills and qualifications needed for economic, business and individual professional success.

In order to better capture these rapid changes, the PPD welcomed the idea of making a prognosis of growth and decline in current, short-term occupations and qualifications and that could extrapolate 'occupations most demanded', 'skills most demanded', and 'most dynamic occupations'.

Agreement

The PPD agreed on developing a 'Barometer of Occupations and Skills (BOS)' as a perception-based, employer-led instrument within the Jordan Chamber of Industry (JCI). This will require the design and application of a regular Labour Market Monitor to make prognosis of growth/steady/decline in current occupations, skills (including employability skills) and qualifications.

Recommendation

The PPD recommended to include macroeconomic modelling of future economic growth/decline and the identification of impact of changes in the demand for goods and services on production and employment in related economic sectors in the unit of the MoL responsible for the LMIS as well as other relevant national entities such as the DOS National Data Center to complement the classification of future occupations, specialisations and qualifications in the Barometer.

KEY STAKEHOLDERS & PPD PARTICIPANTS

- Technical and Vocational Skills Development Commission (TVSDC)
- Department of Statistics (DoS)
- Jordan Chamber of Industry (JCI)
- Ministry of Labour (MoL)
- Social Security Corporation (SSC)
- Vocational Training Center (VTC)
- Amman Chambe of Industry (ACI)
- Amman Chamber of Commerce (ACC)
- Accreditation and Quality Assurance Commission for Higher Education (ACACHE)
- Ministry of Education (MoE)
- Tourism Sector Skills Council
- Energy Sector Skills Council
- Construction Sector Skills Council