TVET IN VIETNAM AND CHALLENGES

Prepared by Hoang Ngoc Vinh (Dr.)
Ministry of Education and Training, Vietnam

Overview

Vietnam is a long country extending along the eastern coast of the Indochina Peninsula from 80°34' to 23°22' N. The country has an eastern coastline of 3450 km. It also shares a total of 3818 kilometers of land borders with China (North 1281 km), Laos (West 1555 km) and Cambodia (South 982 km). The area of Vietnam is about 331,700 square kilometers.

Vietnam's population in 2001 is approximately 77 million, with average annual growth rate of less than 1.7 percent during 1990 -2000. About 76.5 percent of the people live in rural areas. Vietnam has a labor force with relatively young people compared with some other countries.

With a low per capita income of $380 in 2001, Vietnam is grouped among the least developed countries. Income in constant values has increased by 1.5 times in the past five years. At present, about 20 percent of the people live under the poverty line. However, its human development index (HDI) of 0.682 (ranked 101 in 174 countries) is well above that of other countries in the group and compares well with those of middle-income countries. The high HDI reflects the quality of life in terms of literacy, infant mortality and life expectancy.

In an effort to improve its deteriorating economy, Vietnam launched a social and economic reform program called "Doi Moi". The policy was adopted in 1986 and given stronger endorsement in 1991. Viet Nam got a gross domestic product (GDP) growth rate of 6.8 percent in 2001, according to the General Statistics Office (GSO). Viet Nam's growth level will continue to exceed the region's average in the next two years. It is added that the country's economy will gain ground on several fronts this year with industry and construction being projected to grow annually by about 10 percent. Consumer spending will expand by 4.5 percent while the services sector will post a growth of 5-6 percent. The country's trade outlook looks bright due to a bilateral agreement with the US and diversification toward manufactured exports. Exports are expected to jump to 16.7 billion US$ in 2002 and to US$ 18.7 billion in 2003, showing growth of 8.5 percent and 12 percent, respectively.

Growth of the industrial and service sectors has spurred the need for workers with well-developed vocational and technical knowledge, skills and attitudes. Unfortunately, the TVET system is unable to prepare the quantity and quality of workers needed in the labor market.
Labor Force and Technical and Vocational Education and Training (TVET) System

Vietnam's labor force is characterized by an abundance of under-employed workers, mostly in the agriculture sector, and by a serious shortage of skilled and semi-skilled workers in the industrial and service sectors. Of the nation's 36 million workers, 69.8 percent work in mainly low-technology jobs in the agricultural sector. The remaining 30.2 percent are in the industrial and service sectors. Some 81 percent of the labor force is classed as unskilled (untrained). Only 14.5 percent have technical or vocational training, and 4.5 percent are university graduates. Comparatively few women have marketable skills. They perform as much as two-thirds of the hard physical work in the nation but comprise less than one-third of those who receive vocational, technical or university training. Rural and minority workers are less well trained than their urban and majority counterparts. The mismatch between training and jobs is graphically illustrated by the fact that, while employers are searching for trained workers, unemployment and under-employment are serious problems for the 15-24 year-old age group, at 18.2 and 36 percent, respectively.

Vietnam's labor force is overwhelmingly young (more than half the population is under 25 years of age), relatively well educated (the literacy rate is 80-90 percent), and willing to work for low wages. Despite relatively high literacy, foreign employers often note the work force requires extensive training. The number of people who are in ages of potential labor forces is estimated about 44 millions in 2002 and 50.8 in 2005. In 2005, 47 millions laborers need to have the job. Of which, rural laborers are of 34.8 millions (74%), urban laborers are 12.2 millions (26%).

The Vietnamese government's strategy for development places high priority on investment in human capital. Vietnam has a high population growth rate and a large rural labor force that is mostly poor. The largely successful economic reforms have resulted in the cutback of up to 1.5 million workers from government service and state owned enterprises.

Over the last decade, the Vietnamese Government has persisted in the policy of renovation of the economy. The Government is deeply aware of the importance of human resources development (HRD) and makes big efforts to education and training. The reform of technical and vocational education and training (TVET) is one of those efforts. The efforts made to TVET sector can be seen in almost of aspects such as curriculum development, teacher retraining, strengthening partnership between business and training institution, establishing qualification framework, accreditation, funding, management systems, and cooperation with international TVET institutions. Although TVET system in Vietnam has gained preliminary successes for a couple of years ago, there have been many pitfalls. It may not be able to overcome obstacles and difficulties in a short while, but it is needed to take time, resources and efforts.
The TVET system includes over 300 colleges and schools where are training technicians and workers to service in such sectors as agriculture, industry, health care, tourism, construction and transportation. There are several higher education institutions offering both courses leading to diploma and certificate.

The scope and objective of the present TVET system of Vietnam can be summarized as follows.

- **Short-term vocational training/re-training** programs are for unemployed/employed individuals to get specific vocational skills and a certificate.

- **1 to 2 years vocational training programs** are for students who have graduated from junior or senior secondary education to lead towards a vocational certificate. Upon duration and field of training, the learner can be granted certificates of different levels of qualification from level one to level three. After finishing schools, students can be employed to work as skilled workers.

- **Two to 3 year Vocational & Technical Education.** These programs combine general education subjects and specific occupational subjects to lead to a diploma. The graduate will be able to enroll for higher education degree.

The TVET system is under state administration of MOET, MOLISA and other line ministries in the central level. In the local level, it is controlled by the local authorities – it is a quite complicated system.

Before 1987, TVET system in Vietnam was developed with over 200 technical vocational colleges and 125 vocational schools. For many years, TVET system has trained and supplied hundreds of thousands of workers and technicians for the economy, which was controlled and planned from the central Government. At that time, there was not the mismatch between supply and demand of the labor force. Consequently, since the country has moved into the market-oriented economy, the TVET has exposed deficiency of skilled worker in a wide range of industries. The “products” of TVET could not meet demands of the industry. Skills and knowledge of graduates who were trained in TVET institutions have not been relevant to needs of the labor market. Besides that, most of young people have been reluctant to TVET partly because of cultural reasons and partly because of poor programs of training courses. As added to those problems, the scarcity of resources has made TVET system more difficult. There has been a dramatic decrease in the number of students during the period before 1990, while enrollments into the university have increased. This has led to imbalance in the structure of the labor force; disparity between training trades and resulted in relative redundancy of laborers. This period could be the crises of TVET. Thanks to “Doi moi” policy, the economy has gained the relatively high growth of about 7 per cent annually and TVET has taken its vitality and developed.

**Problems and challenges**

Unlike some other countries in the region, Vietnam is in the process of economic transition from a central-planned to a market-oriented economy with many difficulties and
problems. Those difficulties and problems are exposed in such areas as: management and institutional matters; TVET policy; Curriculum and; Funding; Teacher qualification and facilities.

- Management and institutional matters
Such issues related to system management mechanism, institutional structure as well as other regulations may be critical questions needed to be answered properly. The renovation of management system of TVET is very urgent to make it appropriate to changes in the economy and the trend of regional development. As a result of a powerless management system, Vietnam does not have a consistent policy on TVET development with other sectors in the education and training system and nor use resources effectively. People in management levels including decision making, local and school level lack opportunities to upgrade their management knowledge and skills. Besides, there is still not a good set of modules for training TVET managers in the nation wide. In some cases, heads of TVET institutions are not those of TVET. The limitations of English and computer skills of managers are barriers to changes in TVET. The matter of unqualified managers of TVET in Vietnam now becomes daily problems when TVET Vietnam adopts reform policy in the whole system. It is quite true that every reform effort can be stopped unless managers in all levels and teachers are retrained and there are changes in their minds. In general, Vietnam needs to have a good and effect policy on human resource development for TVET system.

- TVET policy
Making policy on development of TVET system is very important. Such matters as strategy, funding mechanism, socialization of TVET, capacity building, and school network planning v.v. should be investigated and researched cautiously. However, some existing policies show many shortcomings partly due to limited competences of managers and partly because of not being based on scientific research. Besides, rapid changes in the economy and insufficient information have negative impacts on TVET policy. Consequently, the answer to questions “where does TVET Vietnam want to go?” to develop TVET seems still to be open and then the question of “How to get there?” is a nonsense question.

Since the country has moved to a market-oriented economy, unequal access to TVET of different groups is varied in a large range during the transition process. Socialization in education and training shows negative impacts on quality of training and increasing inequality to assess to educational facilities. In terms of the policy on socialization of education and training, on the one hand it is to involve all stakeholders (student’s parents, company, social organizations, non government organization, community...) in participating in education and training, and it is to require all students and their families to take responsibilities for contributions to education and training on the other hand. Such contributions as student fees and finance for development of the school where they study. This has reduced significantly the burden of the budget from the Government and increased in training quality in TVET institutions. However, it is not for all students in different areas to able to cover fees and other contributions. Students who come from
urban areas will usually have more opportunities to access better schools. Although the Government has given the priorities in access to education to rural and far most areas, it is still insufficient to fill up the gap.

- **TVET teachers**

During last decades, TVET Vietnam shows many weaknesses in development of teaching staff. Vietnam lacks a consistent policy and strategy for development of TVET teachers. With over ten thousands TVET teacher working in the system needed to be retraining, it is very difficult to upgrade their knowledge in a short time.

The quality of teaching staff in public TVET institutions needs to be improved. The curricular in technical teachers training institutions are obsolete and academic-focused but not practical in terms of pedagogical and professional skills. Up to now, Vietnam has not yet an unified core curriculum for training TVET teachers and quality of graduates from different TVET teachers training institutions varies in a larger range.

All most students of faculties of technical teacher education in certain universities are taught by academic lecturers who familiar with traditional approaches of teaching and lack practical experiences. Especially, shortage of equipment in these faculties and in other colleges makes quality of training teacher more serious. Another problem should be mentioned that TVET teachers’ average age is about 40 so it may be the obstruction to changes.

Besides, recruitment of good teachers for TVET institutions faces many difficulties because of unattractive salary, social status, lacking of opportunities to promotion ladder while they can get more income if working in industry or business. The risk of a part of TVET teachers leaving teaching job for other occupations or not being commitment with teaching work is becoming a reality.

Most of TVET teachers lack or do not have experiences to work with industry. Therefore, that they get more difficulties in cooperation with and learning from the world of work otherwise they may apply experiences to teaching. Such constraints as institutional issues, age and culture make TVET teachers trend to hide their own weakness and shortcomings of knowledge and reluctant to learning from other colleagues. The TVET schools have not yet become learning organizations.

If looking at people-founded TVET schools (private schools) teachers’ quality is far worst. They hardly ever participate in retraining programs supported by the Government.

**Funding**

Any educational and training institutions need to be funded for their activities. Sources of funding may include public funds to the institution from national or local administrations; payments by employers, whether for particular services, or in kind, or through some system of levies; training institutions own earnings from provision of other services or from interest on financial assets or from gifts: payment by students. Students may find the resources to make their payments in various ways - sometimes from their own funds, but sometimes from government grants or loans.
In the strategy for education and training since now up to 2010, it is stated that The Government gives more priority to the investment in education and training than other sectors. There will be an increase in the state budget for education and training from 16 per cent in 2002 up to 18 per cent in 2005 and 20 per cent in 2010. The Government facilitates the borrowing with low interests for education from WB, ADB and other financial institutions. Besides that, education and training institutions need to mobilize other financial resources from enterprises that have recruited graduates from educational and training institutions. The Government urges private enterprises to share responsibility for funding institutions. In dependence on the type of education and regional conditions that educational and training fees can vary from 3 percent to 25 percent of the budget norm for each student. Private institutions should be grown reasonably. At the same time, the Government allows universities, colleges and research institutes to establish enterprises where intellectual property and research products can be sold.

To reduce the budget for education and training, the Government allows to open private and semi-private institutions. However, difficulties in setting up a privately education and training institution due to the lacking or inconsistency of legislation and management mechanism are the barriers to running a private or semi-private institution.

It is needed to add that while Vietnam is still one of the poorest countries in the world, using resources should be considered specially. It is necessary to get TVET institution managers trained for management knowledge and skills in general and financial management knowledge and skills in particular. For ODA projects of TVET development, it is very necessary to set up a strict and effect controlling mechanism of funds in order to avoid from loosing. It is regret that some consultants to projects using loans (both external and domestic consultants for ADB project- for example) are unqualified “experts”. In some case, certain “experts” have been refused by the project TVET schools. It is necessary to make 15 key TVET schools aware of ownership rights in selecting international and domestic consultants and use of those effectively.

In brief, the funding policy for education and training in Vietnam has been improved significantly in terms of mobilizing resources from society and reducing the burden of the state education budget and unexpected losses due to corruption. However, to keep equality to both public and private sector in funding is unable partly because of the policy of the Government that emphasizes the role of the public sector in the development strategy and partly because of existing weakness of privatized training institutions that could not perform their role in the training market.

Policy Improvement and Practice

In the next decades, TVET will play a very important role in the development of human resources for the country. It is one of key factors contributing to development of the
Policies on the TVET system are to aim at three things: quality, size and effectiveness. In order to put the policy into practice, Vietnam has carried out concurrently solutions as the follows:

**Improving quality of TVET institutions**
- Upgrading TVET teachers with both teaching methodology and technical knowledge and skills. This is a plan to be conducted annually.
- Reequip TVET schools and colleges. Due to limitation of sources, Vietnam has selected 15 schools as key ones to be given more priority in using funds from ADB project.
- Linking TVET institutions with enterprises in order to raise practical skills for students and to use resources more effectively.
- Cooperating with enterprises and other institutions to set up occupational standards, qualification framework and accreditation.
- Renewal fields of training and curriculum framework.
- Promulgating the regulations and rules related to training quality.

**Expanding size of schools and colleges**
- Streamlining students who completed junior secondary schools (year 9) into two pathways: senior secondary schools (high school) oriented academic education and vocational secondary schools oriented both academic education and occupational training, but the latter is more focused.
- Reducing fee for student who study in TVET institutions.
- Making articulation and credit transfer easy between qualifications levels, while keeping the training quality.

**Effectiveness**
- Reducing costs of training is based on a reasonable increase in the number of enrollments into schools and colleges.
- Making partnership with enterprises to determine needs of industry and using production equipment more effective.
- Establish the management information system and labor market information to improve planning for resources and training.
- Fighting against corruptions in schools and colleges.
- Encouraging life-long learning.

**Proposals from Vietnam**
As a country in the process of integration into the regional and world economies, Vietnam expects to learn experiences in TVET development from other economies. Such experiences as making policy on TVET (funding mechanism, role of the Gov., partnership with industry, privatization of TVET schools, introduction of vocational higher education, law and regulation of TVET, standardized qualifications, accreditation, articulation, distant learning etc...), management (financial, curriculum, plan. personnel etc...).
economy and society. Investment in human capital is considered as a top priority policy. Based on the above national policy guidelines, Vietnam has set up the following targets:

- Developing TVET qualitatively and quantitatively, in both selected areas and large-scale basis, to meet the demands of the labor force for the industrialization of the country.

- Training and upgrading teachers sufficiently to meet the demand of TVET activities suitable to the market economy.

- Standardizing and modernizing relevant training conditions, including training facilities of the TVET system.

- Upgrading and developing TVET institutes, including setting up of some key schools with regional standards for conducting high quality training programs for workers and technicians required by the key economic sectors of the country.

- Training sufficient numbers of technicians, skilled and semi-skilled workers for industrial zones and export processing zones within Vietnam, as well as in rural areas, and for exporting workers to other countries.

In order to gain those targets, the measures should be taken:

- To check list and approve fields of training and put it in relevance to curriculum framework.
- To orient TVET in the society to change the view of the people about TVET.
- To improve quality of teaching and learning activities at some key colleges.
- To renovate objectives, content and method of training towards needs of the industry.
- To incept and conduct the articulation courses among levels of training.
- To mobilize resources of society for human resources development
- To develop and maintain the partnership between TVET institutions and business.
- To strengthen and develop the international cooperation in TVET.
- To cooperate closely with General Department of Vocational Training (MOLISA) and other institutes to monitor quality of graduates and then set up an accreditation body for TVET as well as coordinate other activities related to TVET.
- To make a smooth transition from learning to work.
curriculum development for TVET. Training and re-training teaching staff in TVET institutions are very useful for TVET Vietnam. With that sense, TVET Vietnam has some expectations to the planning meeting as the following:

- To set up a UNEVOC Centre in MOET Vietnam
- To set up a network of UNEVOC centres in the region of APEC economies and with a regional UNEVOC Centre to coordinate activities.
- To exchange and share experiences and information among member countries.
- To get assistances from the developed countries such as Germany, Japan, Australia, Singapore and others in issues such as capacity building of UNEVOC Centre staff, publications of TVET, standardized qualification, core curriculum for TVET teacher training.

TVET Vietnam hopes that regional UNEVOC Centre will contribute actively and effectively to the policy on HRD in the considerably dynamic economies’ region. Vietnam highly appreciates the initiative from UNEVOC Centre in Bonn for the planning meeting in Bangkok. Although there are differences in cultures, political system, and economic development, Vietnam hopes that TVET whether in Vietnam or in other parts of the world can find a common voice for cooperation and development. Thank you very much.