

Chapter 6

How Can Governance, Private Sector and Work-Based Learning Promote Labour Market Relevant Training in Developing and Transition Countries?

Manfred Wallenborn

Introduction: Problems of VET Governance

An interesting region for governance is Latin America. Nearly the whole continent developed in the 1960s nationwide training organisations. They followed a hierarchical governance model, which took into account the role and the responsibilities of the private sector and the trade unions. These organisations were steered by a tri partied governing board, which included the social partners¹ beside of various line ministries. The institutional setting was accompanied by financial regulations which forced the industry (or certain sectors) to finance with a levy on the payroll (between 1 and 2%) the VET system. This guaranteed a financial fundament to cover the training needs in VET centres. The centres delivered initial and adult training in different economic sectors. They contributed considerably to the Human Capital Development (HCD) in order to support economic and social development. Programmes to integrate informal sector workers in the society were delivered as well. Training was linked to small business promotion. Radical paradigm shifts like introducing dual modes of training delivery were relatively unsuccessful (exemptions in Peru and Chile).

The structural limits of the training organisations became evident in the late 1980s. The globalising economy fostered a rapid technological change with se-

¹A clear definition of social partners and social partnership is a useful tool in the European Union (EU), and it exists since years to foster dialogue and participation. However, other parts of the world follow proper sociocultural patterns. This is the reason why this article avoids a definition of social partners but tries to look at social partnership in different socioeconomic contexts.

M. Wallenborn (✉)

Operations, ETF – European Training Foundation, Villa Gualino, 65 Viale Settimio Severo, I-10133 Torino, Italy
e-mail: mwa@etf.europa.eu

vere consequences for the labour markets, training delivery modes, work force preparation and problems of transition (Comisión Económica para América Latina (CEPAL) 2008). The Latin specific governance was exclusively institutionalised on the top level of the organisations but neglected on other levels. Hence, these institutions lost on the middle management and on the teaching level the contact to the world of work with serious consequences for curricula, teacher training, development of teaching aids and consequently for the transition to the world of work. The institutional setting hampered structured dialogues with the private sector on the teaching and middle management level.

Ten to fifteen years of such an institutional setting led to a questionable quality of supply driven training programmes. Institutional development strategies were not used to motivate teaching staff to update individual and organisational knowledge (Duryea and Pages 2002). Brazil, the first country setting up these training organisations, reacted with radical institutional reforms promoting the dominance of the private sector in managing industrial training. Nowadays, Brazil's SENAI (Servicio Nacional de Aprendizagem Industrial) offers high quality in initial and further VET for the technologically advanced branches. The private sector-driven governance board still includes trade unions and representatives of the trainees but follows closely the HCD needs of the companies.

Other countries of the region restructured the system in order to cope with the new challenges taking into account the relevant contribution of the social partners. Here are some examples:

- Chile's nationwide training organisation was privatised. A new public institution was set up, which procures rather than deliver training programmes in accordance with different demands in economic sectors and with regional specifications. Public funding was combined with private training delivery. Moreover, the new institution developed a quality assurance system for training providers to cover certain standards (from public- to private-driven training).
- Costa Rica established a dual training unit which liaised on operational level with the private sector. Today, the VET organisation procures partly training services, which only private providers can deliver on a high-quality level (from delivery to management of training).
- Colombia created round tables for different economic sectors (mesas sectoriales). Trainers of the training organisation and experts from industry are discussing constantly technological challenges in the world of work and the consequences for curricula and the design of training programmes (from isolation to cooperation).

The reform from hierarchical governance modes to multilevel-driven social partnership is ongoing. But there are some common messages. Governance must be well prepared and based:

- On institutionalised communication channels with the training experts of the private sector

- Managed by organisational units in the VET systems which rely on more degrees of freedom which allow to introduce incentives for teaching and the management of VET centres.
- ‘A mental shift is needed’ (Asian Development Bank (ADB) 2008, p. 126), which perceives VET more functional in the context of socioeconomic development. Less general education but competencies for productivity, employability and sustainable economic growth are required. They have positive effects on social inclusion and cohesion.

There is a common message: stakeholders should be involved on all levels of the VET system. They should be accountable that VET meets the requirements of the labour markets and hence sustain people’s life on a more productive level. VET systems must better cope with complexity, structural inertia of qualification’s development and unpredictable changes on labour markets. This requires communication among the social actors as a precondition for a non elitist performance in training and more efficiency.

Efficient governance creates communication and cooperation mechanisms on at least four levels and stages of the VET systems:

- Policy design and further development of steering tools like laws and regulations, social partnerships, financing, decentralisation and research
- Management of inputs (financial resources and infrastructure), teacher education and further training, curriculum development, etc.
- Learning processes and new learning arrangements, school autonomy and accountability, and local environment
- Outputs, e.g. assessment and certification, evaluation, feedback and policy learning (European Training Foundation (ETF) 2008)

But there is no universal solution how to implement these issues. Evidence from the past reveals that know-how from economics of education might influence educational reforms. But social systems like VET systems cannot be reduced to economic arguments. VET systems are a social construct and not economic ones (Moura Castro 2000). This has consequences for complex agreements on VET governance, as a short look reveals:

- Mexico’s new steering committee of the national qualification board CONOCER includes the five most relevant ministries for VET and representatives from the private sector and from the trade unions. The reform in Mexico tries to integrate better the National Qualification Framework (NQF) in the socioeconomic context. The future will reveal if a qualification framework, which was developed outside the dynamic process of a social partner-driven dialogue can be readjusted to an accepted governance model, which rely on social partnership.
- The Spanish further training policy includes systematically social partnership. It is not an elite driven approach from technocrats like formerly in case of Mexico. La Fundación Tripartita is a social construct which builds on cooperation of public administration, employers and workers/trade unions on a multilevel approach to deliver demand-driven and targeted training (Fundación Tripartita

2006). What is suitable for Spain and other European countries (European Centre for the Development of Vocational Training (Cedefop) 2007) must be discussed in the partner countries on the background of ‘classical weaknesses’ and structural limits of the VET systems.

Donor’s Concepts and Methods: History and State of the Art in VET Cooperation

The World Bank (1991) initiated a conceptual shift of donor’s approaches to VET governance. In the 1970s and 1980s of the past century, donors addressed nearly exclusively Ministries of Education (MoE) and Ministries of Labour (MoL) as national partners for VET cooperation. These entities are mostly responsible for school- or centre-based VET. The private sector was not considered as a relevant partner, despite of the existence of nonformal work-based training in workshops and large enterprises. Donors considered VET governance as a public domain.

Even in those times, experts were aware that VET should deliver world of work-related competencies for the labour force which was supposed to work in the emerging industrial structures. The absence of private sector participation in VET forced donors to finance and built up school-based and public-driven centres. Private sectors ‘work realities’ were simulated in training programmes. International assistance was considered as an instrument to foster HCD. Training centres for initial and further training delivered good quality as long as donor support was available in terms of money and technical advice.

These centres were operated by local staff in cooperation with international experts. In terms of today’s criteria for sustainable development, nobody looked in the past to the problems of such interventions:

- Which national partner will mobilise and contribute to the running costs and will finance further investments in technical infrastructure, which are required to avoid obstacles in technological progress?
- Who is sufficiently competent to manage these centres and deliver a constantly updated training for different target groups?
- Who maintains close relations to the private sector under what institutional settings and governance policies?

Consequently, the performance of these training centres declined after the international cooperation ended. Support was no longer available: ‘Week funding has significant impact on maintenance of buildings and equipment. Management was also hampered by lack of qualified staff and high staff turnover in project units’ (World Bank 1989, p. 60). Such findings were the rationale for a conceptual shift initiated by the World Bank. The 1991 paper suggested to decline donor spending on VET and favoured private-driven training initiatives. But funding from

donors to private stakeholders would have been a subsidiary distorting market-driven competition. Consequently, the bank declined spending on VET.

Some exemptions remained. Germany – formerly one of the most visible VET donors – promoted as well school-based VET assistance. But in countries with a certain industrial sector like Brazil or Korea, some projects tried to introduce an adapted model of the dual system. Apart of the ministries, the capacity of private sector's organisations (like chambers and branch organisations) and trade unions were developed to participate in the governance of the VET system. But project's experience revealed that collective bargaining as a mode of steering and managing a VET system did not follow the same patterns like in Austria, Germany and Switzerland where cooperation between the public and private sector in VET can be tracked back in the nineteenth century.

It was overlooked that the social partners in different cultural contexts had other priorities like security at the work place, legal labour conditions and salary schemes on the trade unions side. Employer's organisations were more dedicated to the problems and perspectives to access new markets and their political influence on governance and policies, etc. Hence, the majority of these dual projects had no sustainable impacts because the partners couldn't cope with two major constraints:

- Donor intervention has a structural problem: it creates artificial structures (Wallenborn 2008) which influence negatively and hamper partly the formulated project objectives, in this special case the mobilisation of social partners for VET governance.
- Nationals and donors underestimated the 'social and cultural factor' for a systemic involvement of the private sector and the trade unions in the governance of VET.

What works in Europe is not necessarily a solution in another sociocultural context. The contextualisation of VET was in those times partly reduced to technical problems of how to implement innovations. Donors underestimated traditional forms of social dialogue, bias of perceptions of public and private responsibility in education and training in different environments or politically influenced prioritisation of values and objectives in the private sector associations and the trade unions. Stockmann (1996) carried out research on German VET cooperation and highlighted that relatively successful VET projects had three criteria in common:

- A certain level of institutional and organisational performance of the partners
- A minimum of institutional capacity, readiness for innovation/reform and partly new governance approaches
- Effective programmes for further staff training and institutional capacity development during and after the project cycle

Germany recognised in policy papers (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ) 1992, 2005) that the dual approach is hardly to copy. Traditions and customs, lack of resources, underestimation of VET and HCD for the socioeconomic development from the locals, other priorities in the partner countries (despite of following rhetorically donor statements), etc.,

are relevant criteria which follow different and partly unknown intentions and objectives. Dual approaches are a social construct derived from specific historical background. This conclusion from former project experience makes social systems (like VET systems) reluctant and resistant for copying comprehensive new VET approaches. Consequently, the German policy papers identified a key area in future VET cooperation which was called ‘promotion of systemic development in VET’, considering several approaches and different governance modes relevant for more efficiency and effectiveness. Diversity and building on local structures are nowadays the prevailing criteria for the design of VET projects. This gives space for work-based learning and private sector involvement.

Main Findings About Public Training in Schools and Learning at Work

Formal and initial VET in developing and transition countries is public driven. The most common ‘reduction of complexity’ (Luhmann 1995) and institutional setting of public VET are secondary schools, which offer training or technical education. The influence of private stakeholders on governance is low. There are laws and regulations based on the sociocultural heritage and political priorities of the countries. Hence, VET is considered as a public task and as an educational rather than vocational option for lower social classes.

The economic globalisation and the scarce resources in developing and transition countries lead to questionable achievements of a social demand-driven school-based VET system. What was considered as an opportunity for less privileged young people has converted in a structural obstacle for these target groups on the labour markets. This is related to weaknesses of public VET in countries, which created the formal (school-based) institutional setting, but do not have any resources at all to operate on a well-performing level (Wallenborn and Heyneman 2009). The available funds are spent nearly exclusively for low teacher salaries.

Research findings (OECD 2008; ADB 2008; World Bank 2004) stated as weaknesses of public training:

- Training in industrial and modern craft trades is costly, and needs in a rapidly changing world constantly updates. If a country is not able to finance new equipment and the retraining of teachers, the quality of VET will rapidly decline.
- Ministries of Education favour educational rather than training approaches. The curricula remain mostly stable for a long time and do only partly refer to practical skills and competences required on the labour markets.
- The scarce financial resources for updating the schools led to isolation of the vocational programmes from the world of work: VET achievements with outdated competencies are contra productive to the employability of the school leavers.

- Schools do mostly not operate in a dynamic environment which is influenced by globalised markets and competitiveness. Teachers and school directors are therefore only partly the suitable experts to prepare young people for the world of work. A structured dialogue with entrepreneurs is missing.
- Publicly managed training does not use the know-how for reforms and innovation, which could be contributed from the social partners, based on their experiences on markets and in the world of work.
- Steering and managing school-based VET is primarily perceived as an administrative problem from the ministries. The ‘education bias’ in ministries’ management styles of school-based training are prevailing excluding civil stakeholders from governance modes.

Socioeconomic progress in rapidly developing countries has a big influence on education and training policies. A crucial question is if the stakeholders who are responsible for the governance consider correctly the need for changes. Global trends should be tackled from the government and social actors with strategic policy decisions to reform not only training delivery but adjusting as well the governance modes: ‘The private sector is being encouraged to play a bigger role in the provision of education and training especially in multidisciplinary knowledge areas and in new disciplines ... to meet the increased demand for highly skilled workers for more complex production processes, more advanced skills training centres in specialised fields will be established’ (Zanifa 2008, p. 85). This government statement considers the structural weaknesses of public training. Government still is the overall responsible to set up a legal framework for private sector’s participation in VET, but best practice recommends that the stakeholders should already be involved in outlining new policies. Moreover, the management and the delivery of high-quality training need degrees of freedom in work-based learning processes, integrate regional specifications and private sector stakeholders in curriculum development.

The private sector is mostly interested in functional know-how and practical competences for an efficient production. Formal and informal further training activities can build on this interest. A solid fundament of general education is compulsory but not sufficient in the world of work. The technological and economic influences from the globalised economy require flexibility in terms of duration and contents of VET. This implies a constant monitoring of a potential gap between technological and HCD in the enterprises.

Donors (ADB 2008; World Bank 2004) stated that private sector organisations are apart from financing VET even committed to cooperate on different levels with public training centres or with the decision makers. The public side should be aware that such new initiatives for sharing responsibility in VET are not considered as a mere loss of political power but as a strategic opportunity that VET might be funded from additional resources. Even in developing countries, economic activities are hampered by skilled-worker shortages (Organisation for Economic Cooperation and Development (OECD) 2006, p. 189).

Private and Public Sector's Participation in VET

The private business sector is far from being homogenous. His contribution to VET ranges from informal 'training' which rather exploits young people too formalised VET delivery in modern enterprises. Moreover, private (non-profit) organisations are in many countries an important player in school-based VET. There are no universal solutions and single systemic options for the sustainable development of VET systems, and the vast range of private training is ambivalent in terms of several criteria (high/low quality, formal/nonformal, profit/charity, etc.). The distinction between private training providers (profit- or charity-driven) and enterprises, which are organising or purchasing training programmes for their own staff, is relevant.

Training for company staff always fulfils requirements in order to cope with the challenges of the market. Training for profit could be localised in different segments and sectors offering questionable quality in low-cost areas but as well highly sophisticated training to follow up recent technological developments. Even VET programmes could be financed completely from private contributions if curricula, premises, teacher qualifications, etc., are following the regulations of the public system. Apart of new reform ideas, tradition and culture will decide if the social actors will be more intensively involved in future governance models. The changing balance between initial and further training and upcoming lifelong learning strategies will force the decision makers to reconsider new governance models and new modes of VET delivery.

Globalisation might be for many countries not only a challenge but as well an opportunity. The knowledge societies of the developed world have today a manufacturing sector, which is not any more growing compared to the service sector. Production processes are outsourced to countries like Malaysia, China, etc., which have a qualified labour force and could perform on a sophisticated technological level. The high prices for the labour force in the developed world makes it unlikely that outsourced production will switch again to the northern countries. The strategic question for benefitting from outsourcing, however, is if the decision makers in the countries recognise the growing importance for new governance models in VET considering the following issues:

- Structural deficits in schools do not deliver suitable training, and a vocational identity for modern crafts and industrial processes and public curriculum developers are too far away from new technologies and correspondent skills
- The growing importance and flexibility of lifelong learning strategies require result-oriented action rather than planning
- Enterprises are using facilities more efficiently for production and simultaneously for training activities
- Public VET alone cannot cope with the demographic trends in many countries offering at the same time a high-quality training for all (equity).

New approaches consider the vast potential of the private sector in VET. This has quantitative and qualitative implications for the VET systems. Data for EU

reveals that apart of countries like Austria and Germany with huge apprenticeship schemes, other countries recently follow this trend: Apprenticeship figures increased in Hungary from 6,616 to 32,117 between 2000 and 2005, France will increase between 2005 and 2009 from 360,000 to 500,000 and in UK, the number of apprenticeships has grown from 75,000 to 240,000 in the last 10 years (McCoshan et al. 2008, p. 90).

But not only developed countries face problems with school-based VET. Research carried out in Indonesia states that school-based VET does not lead to advantages for the school leavers on the labour market but lead to a significantly lower academic achievement (Chen 2009, p. 22). Indonesia's policy intention to extend the facilities for school-based VET up to a share for 70% of an age group is on the background of these findings, not very realistic and would absorb resources which are needed in other (educational) sectors.

Enterprises from developed countries have mostly a positive influence on the companies of the less developed countries in terms of technological innovations and on development of labour force skills. Empirical research revealed that 'Foreign ownership seems to facilitate transfer of technology through cooperation arrangements on innovation, particularly in less developed countries, and increasingly so with the decreasing development level of the country' (Srholec 2009, p. 57). What are the crucial points for the future? School-based VET has structural limits in order to contribute to development objectives like sustainable growth, employability and productivity. There is a growing awareness, that these problems cannot be solved with reforms of public training, because 'the legitimacy of the educational sector rests heavily on assumptions that transfer occurs between an educational institution and a workplace' (Konkola et al. 2007, p. 211). But mere market-driven VET is as well not an overall solution. Markets tend to discriminate groups with a deprived social background – even in form of training vouchers, which are valid for programmes of profit-driven private training providers (Hsieh and Urquiola 2006). Voucher systems are doing better when they include the social partners like the Austrian case reveals (McCoshan et al. 2008, p. 79).

OECD (2003) stressed another issue which makes work-based learning to a viable alternative: foreign direct investment (FDI) is linked to a certain level of HCD. But if developing countries have no resources to pre-deliver demand-driven training to investors, it would be suitable to offer investors some incentives like tax rebates. The money from such rebate schemes could be spent to train own staff and staff from smaller enterprises which belong to the supply chains.

Donors share these opinions. Moreover, they have a high responsibility to develop a constant dialogue with the partners, which:

- Builds on common trends in education policies, highlighting the arguments and best practices for reform and a tight correlation between skills acquisition, training quality and growth (Hanushek and Woessmann 2007)
- Develops in a participatory approach ownership driven solutions for the VET systems, which rely on the national resources and follow sociocultural specific modes of communication and cooperation

- Take into account the emerging consequences for education and training systems affected by the transnational economic crisis, which is another argument for participation of private stakeholders and their financial contribution to VET.

Conclusions for New Forms of VET Governance

If transition and developing countries perceive VET reforms in the triangle of sustainable growth, employability and productivity, they will as well discuss how VET systems can be more self-steered and auto-regulated. Multilevel participation of social partners in complex societies is the best option for VET systems to cope with increasing complexity in technological development and labour markets. In a globalised world, societies and their subsystems (education, economy, legal and cultural system, etc.) are too complex, as being efficiently steered by one single driver. However, capacity development in governance is a precondition.

Improved capabilities of institutions and governance modes should be aware of complexity and structural inertia (Schreyoegg and Kliesch-Eberl 2007). This is the framework in which decisions for reform must be taken and in which social partners act. Another issue which should be agreed on is the participation of the social partners and vast decentralisation with higher accountability for the local VET expertise (ADB 2008). ‘Not using existing private resources and simply trying to make the public sector grow is a highly inefficient policy without any doubt’ (Mora 2005, p. 20). New governance modes finally have three dimensions considering the available resources and private sector involvement:

- A more effective and efficient use of the existing premises of the education and training systems including lifelong learning
- A new balance between general and vocational education must be identified and training modes created coherent to recent socioeconomic developments and
- Using existing investments and efforts in human capital development of the private sector, which the public sector is mid- and long-term not able to afford.

The latter option is a key element of further socioeconomic development and of social partnership. It is about using in an efficient way training premises and resources which already exist and create an environment that would allow the private sector to contribute to education and training. The tight correlation of VET with the world of work requires cooperation on macro, meso and micro level of the VET systems. Cooperation and communication is not an individual and voluntary act in VET systems but must be institutionalised in specific organisational arrangements. There are no universal solutions for reform, and a monolithic approach to governance is questionable. But there are some issues and criteria which should be seriously considered:

- *Economics of education* are relevant, but every education system does not exclusively build on economic evidence, neither in the developed world nor in

developing and transition countries (Jimenez and Patrinos 2008; Duryea and Pages 2002). Cooperative governance operates with a broader scope than economic indicators and financial support. Partner countries cannot rely on Norwegian solutions of apprenticeship training where government pushed with financial incentives the implementation of a training scheme, which requires for co-governance of the private sector. The countries would not be able to spend the resources which Norway pays to the private sector for apprenticeship training (OECD 2008). But interesting are the arguments for the Norwegian policy: technical progress in many industrial areas makes the restrictions of school-based VET evident. Investments and rates of return are seen critically or will be even lost, if the VET systems are not reformed towards private sector's participation. Similar experience faces the construction sector in Ireland with its apprenticeship system (O'Connor 2006).

- *Private versus public interests:* There is evidence from countries with work-based learning schemes/dual systems that the private sector has economic interests in training beyond maintaining the human capital stock of the enterprises. Research carried out in Germany reveals that 18.5% of all companies involved in initial training use it as a substitution strategy for more expansive labour; 43.75% considers expenditure on training as a suitable investment strategy for the technological challenges of the future (Mohrenwieser and Backes-Gellner 2008). The remaining share is mixed and do not follow an exclusive strategy. Conclusions can be drawn for reform in less developed countries: the problem is not that the private sector does not provide training. The real problem is whether the private sector is organised formally and systematically to assume responsibility in an approach of VET, which counts on its involvement. This is an area of future donor activities.
- *Low-cost training versus quality and returns to investment:* 'Without careful quality control, private institutions can be tempted to become so-called 'diploma mills', producing credentials rather than adequately trained and educated individuals' (Wolff and Navarro 2001, p. 14). If private providers are profit driven, there is a certain tendency that they will offer low-cost programmes in professional areas like business and trade, where investment in premises of VET is low and could be rapidly recovered by fees. If trainees are not supposed to work with motivation in the own enterprises, there might be a possible conflict between expectations of profit from VET and quality. But research carried out in Switzerland and Germany revealed (Wolter et al. 2007) that dual training of apprentices in the firms is on high-quality level not only costly but generates in many enterprises even profit. Apprentices learn while being simultaneously integrated in the production process.

Global industrial outsourcing will challenge the transition and developing countries to accept this 'mental shift' (ADB 2008, p. 126) and implement more work-based learning venues as sustainable alternative. This mental shift should promote vocational motivation and identity among young people – a precondition for better socioeconomic development and more options for the individuals. Policy makers

are responsible to reconsider the consequences for innovation and reform taking into account that ‘an in-depth knowledge of modern technology can successfully be acquired through participation in work-based learning. This limits the effectiveness of vocational education and classroom teaching as an alternative mean of producing a high-skills economy’ (Ashton and Green 1996, p. 101).

A work-based vocational identity which fosters a better transition to employment requires educational reforms and the appreciation of the importance of work-based learning: ‘Reconceptualising the concept of apprenticeship as a social theory of learning along the lines we have described, offers, we would suggest, a basis for turning these demands into practical programmes’ (Guile and Young 1998, p. 188). The most important advantages and disadvantages should be solved before implementing such work-based learning schemes: the significantly better pathways of work-based learning to employment should be accompanied with more comprehensive training and education options after such initial VET modes, taking into account the growing relevance of higher qualifications in a knowledge society. But the attractiveness of work-based learning will remain, because it could be closely further developed by social partners which look responsively to labour markets, economic and technological progress (International Labour Organization (ILO) 2008). Flexible and participatory management mechanisms will assure that supply meets better the demand than in school-based VET. They are as well a precondition for the increasing number of post secondary work-based training programmes.

References

- Asian Development Bank. (2008). *Education and skills. Strategies for accelerated development in Asia and the Pacific*. Philippines: Metro Manila.
- Ashton, D. N., & Green, F. (1996). *Education, training and the global economy*. Cheltenham: Edward Elgar.
- Bundesministerium für wirtschaftliche Zusammenarbeit. (1992). *Sektorkonzept‘ Berufliche Bildung*, Bonn.
- Bundesministerium für wirtschaftliche Zusammenarbeit. (2005). *Technical and vocational education and training and the labour market in development cooperation*, Bonn.
- Comision Economica para America Latina. (2008). *Los mercados de trabajo, la protección de los trabajadores y el aprendizaje de por vida en una economía global*, Santiago de Chile.
- Chen, D. (2009). *Vocational schooling, labor market outcomes and college entry. A policy research working paper of the World Bank No. 4814*, Washington, DC.
- Duryea, S., & Pages C. (2002). *Human capital policies: What they can and cannot do for productivity and poverty reduction in Latin America, An Inter-American Development Bank working Paper No. 468*, Washington, DC.
- European Centre for the Development of Vocational Training. (2007). *Zooming in on 2010: Reassessing vocational education and training*, Luxembourg.
- European Training Foundation. (2008). *Policy learning in action (ETF yearbook 2008)*, Luxembourg.
- Fundación Tripartita para la Formación en el Empleo. (2006). *Agreement on vocational training for employment*, Madrid.

- Guile, D., & Young, M. (1998). Apprenticeship as a conceptual basis for a social theory of learning. *Journal of Vocational Education and Training*, 50, 2. Retrieved from <http://dx.doi.org/10.1080/13636829800200044>.
- Hanushek, E., & Woessmann, L. (2007). *The role of education quality in economic growth* (World Bank policy research working paper 4122), Washington, DC.
- Hsieh, C. T., & Urquiola, M. (2006). The effects of generalized school choice on achievement and stratification: Evidence from Chile's voucher program. *Journal of Public Economics*, 90(8–9), 1477–1503.
- International Labour Organization. (2008). *Skills for improved productivity, employment growth and development*, Geneva.
- Jimenez, E., & Patrinos, H. A. (2008). *Can cost-benefit analysis guide education policy in developing countries?* (A policy research working paper No. 4568). Washington, DC: World Bank.
- Konkola, R., Toumi-Groen, T., Lambert, P., & Ludvigsen, S. (2007). Promoting learning and transfer between school and workplace. *Journal of Education and Work*, 20(3).
- Luhmann, N. (1995). *Die Gesellschaft der Gesellschaft*, Frankfurt.
- McCoshan, A., Droyd, A., Nelissen, E., Nevala, A. (2008). *Beyond the Maastricht Communiqué: Developments in the opening up of VET pathways and the role of VET in labour market integration*, Birmingham
- Mohrenwieser, J., & Backes-Gellner, U. (2008). *Apprenticeship training – What for? Investment in human capital or substitution of cheap labour?* (Leading House Working Paper No. 17). Zürich: University of Zürich
- Mora, J. G. (2005). *Public-private partnerships in Latin America: A review based on four case studies*. Working paper presented to Kennedy School of Government, Harvard University, Cambridge.
- Moura Castro, C. (2000). *Secondary schools and the transition to work in Latin America and the Caribbean*. Washington, DC: Ed: Inter-American Development Bank.
- O'Connor, L. (2006). Meeting the skill needs of a buoyant economy: apprenticeship – The Irish experience. *Journal of Vocational Education and Training*, 58(1).
- Organisation for Economic Cooperation and Development. (2003). *Human capital formation and foreign direct investment in developing countries* (Working Paper No. 211), Paris.
- Organisation for Economic Cooperation and Development. (2006). *Policy framework for investment: A review of good practices*, Paris.
- Organisation for Economic Cooperation and Development. (2008). *Learning for jobs: OECD reviews of vocational education and training*, Norway. Retrieved from http://www.oecd.org/searchResult/0,3400,en_2649_201185_1_1_1_1_1,00.html
- Schreyoegg, G., & Kliesch-Eberl, M. (2007). How dynamic can organizational capabilities be? Towards a dual-process model of capability dynamization. *Strategic Management Journal*, Retrieved from DOI: 10.1002/smj.613
- Srholec, M. (2009). Does foreign ownership facilitate cooperation on innovation? Firm-level evidence from the enlarged European Union. *European Journal for Development Research*, 21(1), 47–62.
- Stockmann, R. (1996). *Die Wirksamkeit der Entwicklungshilfe – eine Evaluation zur Nachhaltigkeit von Projekten und Programmen*, Opladen.
- Wallenborn, M. (2008). Are recent development strategies really doing better? The new aid architecture for VET. *Norrag News*. Retrieved from, www.norrag.org
- Wallenborn, M., & Heyneman, S. P. (2009). Should vocational education be part of secondary education? *Journal of Educational Change*, 10(4). New York: Springer.
- Wolff, L., & Navarro, C. (2001) *Public or private education for Latin America? That is the (false) question*. Washington, DC: Inter-American Development Bank
- Wolter, S., Schweri, J., & Walther, B. (2007). *Lehrlingsausbildung – ökonomisch betrachtet*, Zürich
- World Bank. (1989). *Vocational education and training: A review of World Bank investment* (A World Bank discussion paper), Washington, DC.

- World Bank. (1991). *Vocational and technical education and training* (A World Bank policy paper), Washington, DC.
- World Bank. (2004). *Skills development in Sub-Saharan Africa*, Washington, DC.
- Zanifa, M. Z. (2008). Malaysian Government policies on human resources development: Towards meeting the needs of the knowledge-based economy. In G. Loose, G. Spoettl, & Y. M. Sahir (Eds.) *'Re-engineering' dual training – The Malaysian case*, Frankfurt.