

# PRACTICAL TRAINING FOR SECONDARY VOCATIONAL EDUCATION STUDENTS

## – BIGGER BENEFITS THAN COSTS

(POLICY BRIEF)



This policy brief presents a summary of findings from a research aimed at identifying employers' positions about the costs and benefits of companies being actively involved in providing on-the-job/practical training for students in secondary vocational education.

The costs and benefits identified by the companies included:

Costs	Benefits
<ul style="list-style-type: none"><li>➤ In-company mentor (working hours)</li><li>➤ Mentors' professional development</li><li>➤ Training equipment, tools and learning materials</li><li>➤ Students' compensation</li><li>➤ Students' insurance</li><li>➤ Students' transport</li></ul>	<ul style="list-style-type: none"><li>➤ Productive work of student</li><li>➤ Savings for recruitment</li><li>➤ Reduced risk of mismatch</li><li>➤ Specific skills of the student for the job and employer</li><li>➤ Employer promotion and recognition in the community</li><li>➤ Positive influence on the company's climate</li><li>➤ Stronger links with the public sector</li></ul>

The research identified parameters based on which the benefits of practical training were evaluated, including: knowledge and abilities/skills of students, productivity of students and influence on the other employees, potential savings of the employer, and long-term effects of the involvement in these processes.



Key findings	Framework for action
<ul style="list-style-type: none"><li>➤ Benefits to train students in companies are either bigger or equal as the costs.</li><li>➤ Accepting students does not create noticeable additional cost for the company.</li><li>➤ Students contribute to the productive work of the company; the risk of errors is on acceptable level.</li><li>➤ Most of the employers have solid cooperation with the VET schools, teachers and students.</li></ul>	<ul style="list-style-type: none"><li>➤ A clear strategy for students' placement in the companies, and stronger cooperation between VET schools and employers needed.</li><li>➤ Continuous adjustment and improvement of the curricula, guidelines and training materials.</li><li>➤ Better management and improved students' preparation process in VET schools.</li><li>➤ Earlier start and continuity with the practical training in companies.</li><li>➤ Awareness raising among different stakeholders on the practical benefits of training.</li></ul>

## CONTEXT



## METHODOLOGY

Practical training for students of the secondary education within a company is a mandatory part of the youth education process in vocational schools.

According to the Law on Vocational Education and Training (Article 13), employers can provide practical training for students, if they meet the requirements for space, equipment and appropriate staff prescribed by the relevant chambers. The chambers verify the fulfillment of the conditions by the employers.

In Republic of North Macedonia there are 75 secondary schools that currently provide vocational education and training to about 42,000 students. In the school year 2021/22, more than 25,000 students should be placed in companies to obtain practical training.

The practical training in companies has a significant impact on the education process and the labor market, contributing to :

- ➔ more efficient and financially sustainable education process
- ➔ students with economy-demanded skills
- ➔ higher productivity of companies, due to a better-skilled labour force
- ➔ reduced unemployment level, thanks to the labour market-relevant skills.

The research was conducted within the Education for Employment in North Macedonia (E4E@MK), a project of the Swiss Agency for Development and Cooperation (SDC). E4E@MK in partnership with the European Training Foundation (ETF), support the Ministry of Education and Science (MoES) in creating

improved funding models for vocational education and training (VET), with an emphasis on the practical training within companies.

The objectives of the research were the following:

- ➔ to identify the costs and benefits of companies of providing practical training for the students of secondary vocational education; and
- ➔ to provide information for the creation of conducive policies and measures to improve the process of practical training for secondary vocational students in the Republic of North Macedonia with greater engagement of companies.



During the period May - June 2020, data was collected from companies involved in various forms of practical training of students.

The following research methods were applied:

- ➔ Online survey with a selected group of companies;
- ➔ Structured in-depth interviews with some of the surveyed companies.

Out of 75 companies approached by the researchers, 30 respondents from different size companies and 10 different economic sectors took part.

# FINDINGS



## COMPANIES PARTICIPATE IN THE ORGANIZATION OF PRACTICAL TRAINING

*“We are quite fond of students; we do not limit ourselves in terms of costs and we work with the students with pleasure”.*

*“We know that in VET schools, students do not get all the necessary knowledge and we gladly involve them in our company for the practical activities”.*

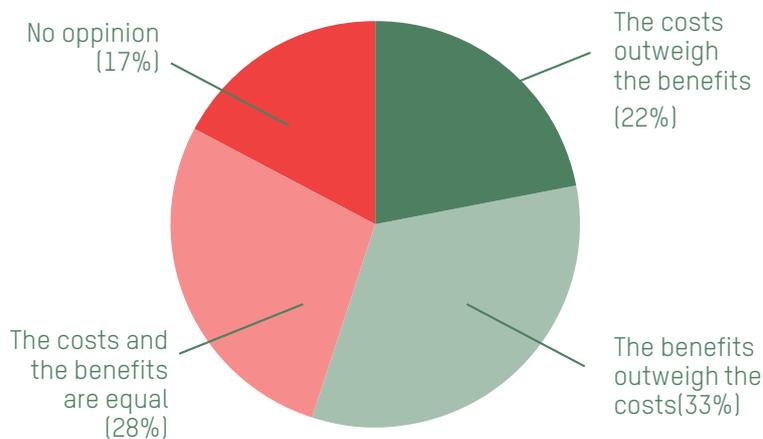
- ➔ **Most** of the companies involved in the research have solid cooperation with VET schools, teachers and students.
- ➔ **Almost half** of the companies accept all students suggested by the VET school, without applying additional selection criteria. However, some also conducted short interviews with the students, asked for teachers’ recommendations or sometimes used personal contacts to mobilize good students for the practical training.
- ➔ **Half** of the companies consider that practical training is important and should be organized in longer periods through the year. This will enable a regular and more active presence of students in companies.
- ➔ **About three-fourths** of the companies stated that they have a certain influence on the curriculum implemented in their company.
- ➔ **Nearly two-thirds** of the companies explained that the selection of work activities and student’s tasks is made by the mentor/the employee, or by the mentor and the teacher together.



## VARIOUS BENEFITS FOR THE COMPANIES



The benefits to train students in the company are either bigger or equal as the costs



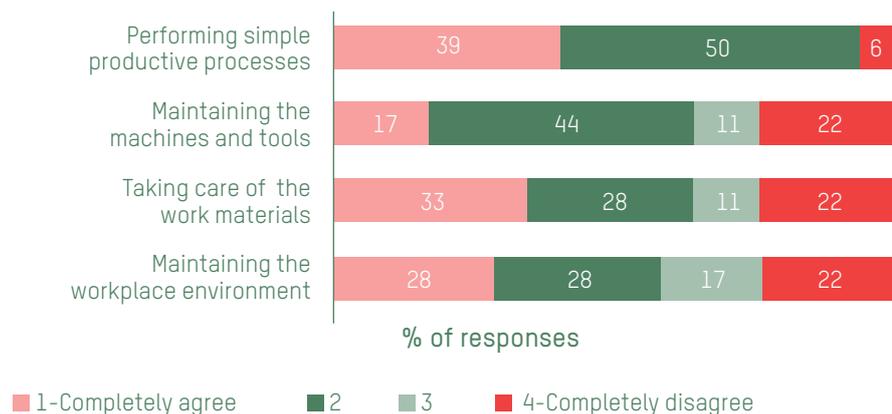
*"It is difficult to answer whether the benefits outweigh the costs, but it is somewhere around 50-50."*

*"If the process works properly, the benefits are much greater".*

- ➔ Companies easily identify **long- term benefits** of engaging students in the practical training, including: facilitation of the procedures and reduction of the costs of recruiting new employees, recruiting staff with the adequate skills, students' positive influence on the company's climate and contribution to the improvement of employees' loyalty.
  - ➔ **61%** of the respondents stated that students positively influence the increase of employee's commitment and work; **58%** stated that students contribute to company's productive work (unskilled or semi-skilled); **42%** stated that students influence the improvement of skills of the majority of employees.
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- ➔ Important benefit for **almost two-thirds** of the companies is the help that students provide to the mentor and the employees in performing simple work processes, such as maintaining the workplace, taking care of the working materials, machines and tools, etc.
- ➔ Students contribute, however to a **very small extent**, to the introduction of new knowledge, the use of new ways of working, as well as the use of new technologies.

### What do students contribute to in the workplace?



### What is the impact of accepting students in the company?

*„We leave a positive image among the customers and they are more satisfied.“*

*“The work efficiency increases when we work with students.“*

*“It positively affects other employees and incites the competitiveness among them, thus influencing the overall performance.“*



## COST FOR THE COMPANIES THERE ARE ALSO COSTS FOR PRACTICAL TRAINING

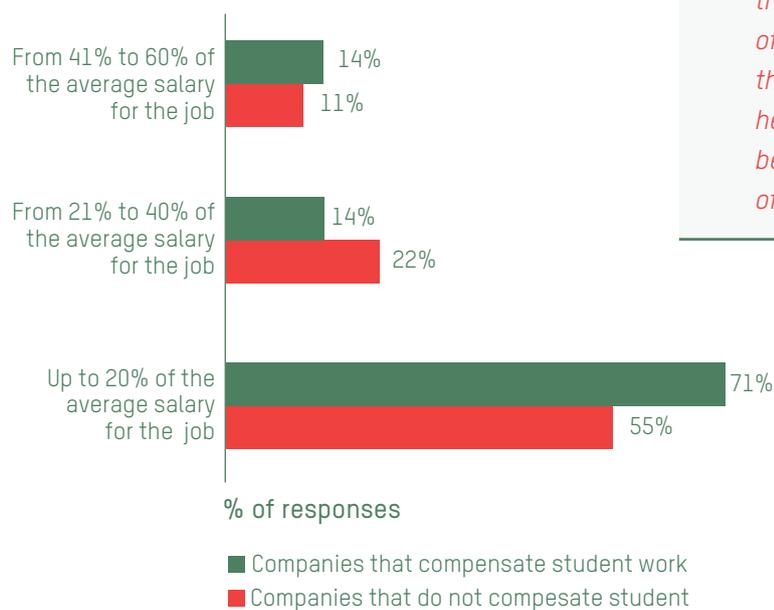
- **Students' compensation** is one of the potential costs identified by the employers. **More than two-thirds** of the employers pay the students a compensation not higher than 20% of the average salary for the respective job position. They do not consider the allocation of funds for this purpose as a financial burden.
- In the opinion of **half** of the respondents, students should be compensated by the company or jointly - the company and the VET school. Others think that студентс should be compensated by the MoES or the VET school.
- Accepting students **does not create** noticeable **additional cost** for the company. These costs include mentoring and supervision of the students' work, provision of tools and work materials, administrative costs related to the occupational health and safety, etc.
- For **almost half** of the companies, costs associated with potential errors by students during the practical training are an acceptable risk.

*"We can provide the funds, we already have them allocated in the budget and we think that every company should provide compensation, at least for food, transportation and other costs."*

*"In order to attract students, we have to pay them, because most of them have financial difficulties".*

*"It is sometimes difficult to provide compensation; therefore, it would be of great assistance if the state or the school help us, at least at the beginning/early years of schooling".*

### How much the students should be paid?





## RECOMMENDATIONS FROM THE INTERVIEWS WITH THE COMPANIES:

- ➔ A greater flexibility, mutual trust and freedom of the VET schools and the companies in planning, organizing and implementing practical training (e.g. the strictly defined number of hours/ days/periods and contents of the practical training is often not adjusted to the different economic sectors and companies).
- ➔ Institutional support to companies and VET schools for joint decision-making and responsibility for conducting practical training.
- ➔ Improvement of the education process and quality assurance by the VET schools with regard to knowledge, skills and social behavior of students before entering the practical training.
- ➔ Continuous adjustment and improvement of the curricula, guidelines and training materials with full engagement of the employers.
- ➔ Better management of the VET schools including persons responsible for establishing and enhancing the cooperation between VET schools and companies.
- ➔ Better equipped classrooms in the VET schools in accordance with the offered occupations.
- ➔ Process for selection of students to attend practical training in a specific company based on established criteria. This will increase competitiveness among students in the VET school and increase the engagement of students during practical training in the company.
- ➔ Financial incentives are needed for the companies to provide materials and certain compensation for the students, at least in the period when productivity of the student is very low.
- ➔ Support by central and local governance structures is needed in promotion of the practical training benefits to the society / parents / students.

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