



# IS VOCATIONAL TRAINING ORGANISED EFFICIENTLY

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## SUMMARY

### The Relevance of the Audit

The main purpose of the vocational training system is to create conditions for a person of various needs and capabilities to acquire a qualification and competences that conform to the modern level of science, technology, economics and culture, guarantee the development of the state's economy, competition in the international market and sustainable development, general capabilities that help a person to establish and compete in the ever changing labor environment, lifelong learning, develop and change his/hers qualification.

The vocational training is that part of education, in which its participants most flexibly and readily are capable to react to the needs of employers and lack of competences. Which is why, in implementing the purpose of "2030 Lithuania" strategy: intelligent society – learning society: modern and dynamic, ready for challenges of the future and capable of working in the ever changing world, the vocational training institutions are very important. It is intended that Lithuania, in accordance to the lifelong learning indicator, in 2030 would take the 18<sup>th</sup> place out of 28 EU Member States (currently, Lithuania takes up the 21<sup>st</sup> place). The target value of this indicator in "2020 Europe" is 15%. In 2018, in Lithuania this indicator was 6.6%. For a couple of years it did not change, even though the state intends<sup>1</sup>.

In the European Union, 48% of young persons want to learn at the vocational training institutions. In Lithuania, only 27% of young persons want to acquire qualification together with secondary education, even though the lack of various areas' employees is felt on the market.

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<sup>1</sup> 2013-2022 National Education Strategy, Annex 1, confirmed by the 23-12-2013 Parliament's Decision No. XII-745.

Persons that learn more poorly, often they come from poor families<sup>2</sup>, choose vocational training. Poverty's risk level in the country is 22.9%. Because of this, state vocational training institutions should include socially vulnerable persons in to the training process, so that they after completing vocational training programs would acquire qualification, successfully find a job and independently support themselves.

In order to evaluate whether by implementing the vocational training policy the quality of vocational training and added value is ensured, the Supreme Audit Institution conducted performance audit of this area.

## The Audit Objective and Scope

The objective of the audit is to evaluate whether vocational training is organized effectively.

The main questions of the audit:

- Whether the added value of training institutions is ensured by implementing the vocational training policy;
- Whether the activity of the network of vocational training institutions is organized effectively;
- Whether the system for ensuring the quality of vocational training is effective.

The audited entities:

- Ministry of Education, Science and Sport, because it shapes the policy of vocational training, organizes, coordinates and controls the implementation of it;
- 67 state vocational training institutions, the founder (owner) of which is the Ministry of Education, Science and Sport, because they implement the policy of vocational training;
- Qualifications and Vocational Education and Training Development Centre, because it participates in implementing the state development policy of vocational training and lifelong learning systems;
- Lithuanian Labor Exchange, because it participates in organizing, coordinating and implementing the vocational training of the unemployed (and persons that received announcements about termination).

The audited period – 2016-2018. In order to evaluate the tendencies and changes, in some cases we used 2019 data.

The audit was performed in accordance to the Public Auditing Requirements and International Standards of Supreme Audit Institutions. The scope of the audit and the applied methods are described in greater detail in Annex 2 “The Scope and Methods of the Audit” (page 50).

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<sup>2</sup> MOSTA, 2018 Vocational Training's Status Survey.

## Key Results of the Audit

Vocational training is organized insufficiently effectively in order for all of the enrolled students to acquire a qualification, which allows them to become independent; the planning process of the state funded positions is unclear; the sectoral practical training centers are not used as planned; the issue and maintenance of licenses for program performance, evaluation of formal and informal programs of vocational training, external and internal evaluation of institutions and the recognition of vocational competences are not yet organized in such a way as to ensure quality.

### 1. Added Value of State Vocational Training Institutions is not Ensured

- The state funded positions at the vocational training institutions are unclearly planned, because the decisions of the Ministry in regards to them were unfounded. Not enough students are assembled in the areas of manufacture and processing (2018 – 43.8%, 2019 – 40.7%), information and communication technologies (2018 – 32.4%, 2019 – 7.5%). The specialists of these areas are the most demanded, thus, the needs of the employment market may not be met (Section 1).
- Annually, on average, approximately 17% of students dropped-out from vocational education. A larger part drops-out from smaller vocational training institutions that have less than 300 students. Approximately 8% of students are learning only in accordance to the general education programs and do not learn a vocation and approximately 12.5% of students, after finishing the 10<sup>th</sup> grade, do not study further. 30% of cases drop-out for “other reasons”, i.e., unknown why. The vocational training institutions could put more attention in to figuring-out the reasons and motivating the students to stay (Sub-Section 2.1).
- In 2018, only 6 (out of 67) vocational training institutions had carrier specialists, even though, during the period of 2012-2014, while the position of carrier specialists were being financed from the funds of EU projects, 31 vocational training institution had them. Properly organized vocational orientation could mitigate early retirement from the education system and determine the selection of suitable vocation (Sub-Section 2.2).
- The vocational training institutions do not ensure sufficient help in education for the students, because, during the period of 2018-2019, 78% of all state vocational training institutions did not have special educators, 49% - psychologists and 15% - social educators position (Sub-Section 2.3). Students, who have special education needs, during the period of 2018-2019, comprised approximately 4.5%; 26 vocational training institutions had them (Sub-Section 2.3).
- All of vocational training institutions take-up the initiative to materially incite the students, however, the statutes of law regarding the values of scholarships and material payouts have not been amended for more than 14 years<sup>3</sup>. The highest scholarship is 28.8 EUR. The students, in order to provide for themselves, take up

<sup>3</sup>The legal act “The Description of Procedure for the Payment of Scholarship and Providing Material Aid to the Student, who is Learning in Accordance to the Vocational Training Programs in Order to Acquire the First Qualification” since 2005 has been amended 4 times, however, the values of scholarships and material aid did not change.

employment and do not attend classes and drop-out from the education process without acquiring a qualification (Sub-Section 2.3).

- Apprenticeship should be an effective mean helping to fluently transfer from the training institution to the employment market, develop lifelong learning and, by paying wage to the apprentices, an aid would be provided for poor students not to drop-out from the vocational training institutions. During the period of 2018-2019, 1.9% of students studied the apprenticeship form of the primary vocational training. During the period of 2018-2019, 40% of vocational training institutions did not have apprenticeships. The intent of the state for 20% of students in 2020 to learn apprenticeship will not be implemented (Sub-Section 2.4).

## 2. Activity of State Vocational Training Institutions is not Sufficient Enough

- The state, while seeking quality vocational training and that as many consumers as possible would use its public infrastructure, established sectoral practical training centers and provided them with modern equipment. Only 15 centers out of 41 work in two-shifts (12 and more hours) – they work so that the employed could train after work (Sub-Section 3.1).
- Almost 60% of vocational training institutions having sectoral practical training centers did not earn even 10% of their budget funds. The income from the centers' activity was only 1/5 of all income, which the vocational training institutions having the sectoral practical training centers received. Furthermore, more than 40% of income the institutions earn from non-primary activity. Thus, the institutions having sectoral practical training centers may not achieve the goals of their establishment (Sub-Section 3.2).
- It was aimed that 80% of students will learn with new equipment of the sectoral practical training centers, but, during the period of 2016-2018, 19% of EU and 37% of state budget funds were invested in to small schools (as per the number of students), which are being reorganized or merged. Investments geared towards schools with no potential do not create additional value (Sub-Section 3.3).
- With the decrease of the number of students, more and more vocational training institutions emerge, in which less than 300 students learn. In 2016, the number of these institutions were 7 and in 2018 – 18. They do not tend to refuse unused premises, which is why, the total area of premises for one student increased by 37%. In half of institutions, this number was larger than 39.2 sq. m and in three institutions exceeded 200 sq. m (from 203 to 380 sq. m). In four institutions, the area of unused premises exceeded 30% and comprised up to 11 thousand sq. m. The human and financial resources allocated for the maintenance of unused premises are used ineffectively (Sub-Section 3.4).

## 3. System for Ensuring the Quality of Vocational Training is Ineffective

- When issuing the license to perform vocational training program, during the period of 2016-2018, 972 expert evaluations (in accordance to the programs) were performed; in approximately 10% of them, inspection at the place of training was performed. The decision "Is Not Ready to Perform the Program" was twice as many times adopted during the inspection at the place of training. After granting the license, the evaluation

of conformity of the vocational training provider to the requirements of the license is not systematically performed. The supervision institutions (Ministry of Education, Science and Sport, as well as Lithuanian Labor Exchange) do not coordinate supervision actions. During the period of 2017-2018, from the 45% of the inspected vocational training providers the same 28 providers were evaluated, as well as, the same providers were evaluated a couple of times. This creates a supposition to issue the license to those providers, who later, by performing the program, will not ensure the quality implementation of it (Sub-Section 4.1).

- When evaluating formal vocational training programs, not in all cases external specialists are invoked: in 2018, the external specialists did not evaluate 18% of programs. By renewing the programs, the vocational training provider may correct up to 15% of the program; later-on, they are not re-evaluated. It becomes unclear whether they conform to the vocational standard (Sub-Section 4.2).
- Since 2019, the informal programs granting the qualification must be evaluated, however, it will not be needed to evaluate all of the informal programs registered until that period (approximately 300 programs) and thus their quality will remain unknown. The Lithuanian Labor Exchange participates in the informal training process, however, it is not included in to the process of ensuring the quality of the programs. The Ministry of Education, Science and Sport includes them in to the Register of Programs (3,060 programs) and the Lithuanian Labor Exchange creates its own List of Programs (1,772 programs). Such redundancy is uncomfortable for the consumers (Sub-Section 4.2).
- The evaluation of competences performed by the current 34 accredited competence evaluation institutions is not even, because the complexity of evaluation tasks and practical skills differs. The evaluation and recognition of competences acquired in an informal way does not add to the ensuring of quality. The calculation of funds (price) of evaluation and recognition of competences for one person differs as well: for one person via the system of the Ministry of Education, Science and Sport it costed 7.18 EUR<sup>4</sup> and for the person being referred by the Lithuanian Labor Exchange – approximately 180.00 EUR. The new system for recognizing competences is being created without having a more detailed information about the recognition of qualifications in accordance to the qualification levels and about the current activity of the accredited competence evaluation institutions, because the monitoring of them is not performed. The recognition of competences shortens the time meant for learning and helps to more quickly assimilate in to the employment market. Without ensuring the equal evaluation of competences and clear system, lifelong learning motivation may not increase (Sub-Section 4.3).
- In 2015, 2.2M EUR worth EU project was performed: it was intended to create and implement the common system for ensuring the quality of vocational training. A pilot external evaluation of the quality of the vocational training programs was performed, however, after the end of the project, its continuity was not ensured. In 2018, a new system for evaluating the activity of vocational training institutions by performing the EU project was started; 2.2M EUR were again allocated to it. Thus the vocational training providers did not prepare for external evaluation: there is no procedure schedule for external evaluation, evaluation plan, external evaluation experts and their functions are not envisaged etc. Which is why, aid in accordance to the determined (during the external evaluation) areas to be developed will not be ensured to the vocational training institutions (Sub-Section 4.4).

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<sup>4</sup> Expenses for materials and equipment were not included in to this price.

- Approximately 1.7M EUR was spent for the implementation of internal systems ensuring the quality in the vocational training institutions, however, their further support is not ensured: less than half (43%) of all the audited institutions apply the valid ISO 9001 certificates and 4 vocational training institutions do not apply any quality ensuring system. While the vocational training institutions do not have and systematically do not apply the internal quality ensuring system, the conditions to accept evidence based decisions and purposefully develop the activity of training institution are not created and the law on this kind of education is not followed (Sub-Section 4.5).

## Changes during the Audit

- We determined that since 2019 the prices of the same programs at the positions not financed by the state in different institutions differed up to two times. For example, the price of assistant-nurse's modular vocational training program in different schools fluctuated from 1,366.00 EUR to 100.00 EUR. 3 (out of 9) inspected vocational training institutions did not adhere to the recommendations regarding the determination of prices, which were prepared by the Ministry, and determined lower than recommended prices. By determining lower prices of formal vocational training programs, which are not financed by the state, then the ones recommended by the Ministry, the vocational training institutions may not ensure the necessary quality of trainings. Since 01-01-2020, the funds for formal vocational training will be calculated in accordance to the new methodic<sup>5</sup> confirmed by the Government. The Ministry will announce the price of one education credit of the sub-area of vocational training calculated for the next year. In the methodic, the funds for education aid<sup>6</sup> are separated from management funds and the vocational training funds for the student, whose vocational training is performed in the form of apprenticeship, will be increased by 25%<sup>7</sup>.
- In 2019, the Procedure Schedule of Organizing the Vocational Training in the Form of Apprenticeship<sup>8</sup> was confirmed.
- The Procedure Schedule of Vocational Training Providers and Compiling the List of Vocational Training Programs<sup>9</sup>, according to which the specialists of Lithuanian Labor Exchange will renew the list of informal programs so that it would contain programs evaluated by the Qualifications and Vocational Education and Training Development Centre, as well as, informal education program of adults performed in the form of apprenticeship training was confirmed.
- The Ministry itemized the plan regarding the rearrangement of the network of vocational training institutions and coordinates its project with vocational and general education institutions, as well as other institutions.

<sup>5</sup> 11-09-2019 Government Decision No. 934.

<sup>6</sup> Ibid, Point 3.3.

<sup>7</sup> Ibid, Point 11.

<sup>8</sup> 23-10-2019 Government Decision No. 1065.

<sup>9</sup> 29-11-2019 Lithuanian Labor Exchange Director's Prescript No. V-447 "The Procedure Schedule of Compiling the List of Vocational Training Providers and Vocational Training Programs".

## Recommendations

### For the Ministry of Education, Science and Sport

1. In order for the state financed positions to be planned clearly and understandably for all participants of the process, to confirm the decision documents regarding the number of these positions in the vocational training institutions: lay down how the positions for vocational training institutions will be allocated and determine the stages of coordination process with the interested parties (Key audit result 1).
2. In order to ensure that as much students as possible would not drop-out and would acquire qualification:
  - 2.1. To envisage the means that the vocational training institutions would recognize the special education needs of formalized students and provide them education aid in accordance to the determined norms (Key audit result 1);
  - 2.2. To review and correct the procedure of granting scholarships and material support (Key audit result 1).
3. In order to more effectively use the funds of the state, to arrange the network of state vocational training institutions in such a way, so that the unused area would become smaller and the equipment of sectoral practical training centers would be used more effectively (Key audit result 2).
4. In order to achieve the quality of vocational training and effective use of supervision institutions' resources, when issuing the licenses to perform the programs, the inspections must be performed in the riskiest entities. Which is why, it is needed:
  - 4.1. To determine criteria, according to which, during the expertise, a decision would be adopted to perform the inspection at the place of training, and publicly announce them (Key audit result 3);
  - 4.2. To harmonize supervision actions with Lithuanian Labor Exchange and periodically exchange the information about the planned inspections of the vocational training providers (Key audit result 3).
5. In order for the information about the informal vocational training programs being performed by the vocational training providers to be conveniently accessible to the consumers, to harmonize the Register of Programs and the List of Informal Vocational Training Providers of the Lithuanian Labor Exchange (Key audit result 3).
6. By orienting towards the needs and expectations of students, to receive a quality vocational education:
  - 6.1. Ensure that state vocational training institutions would implement and maintain the quality ensuring systems (Key audit result 3);
  - 6.2. Periodically evaluate the internal quality ensuring systems (Key audit result 3).
7. By developing the evaluation and recognition of competences in order for it to be even and incite lifelong learning, to implement the so called "one-stop shop" principle for the evaluation and recognition of the competences acquired through various ways (formal, informal, self-education and work experience) (Key audit result 3).

The means and terms for the implementation of recommendations are submitted in the part of the Report “Plan for Implementing the Recommendations” (page 42).