

# Funding Models for Skills Development with Industry Involvement



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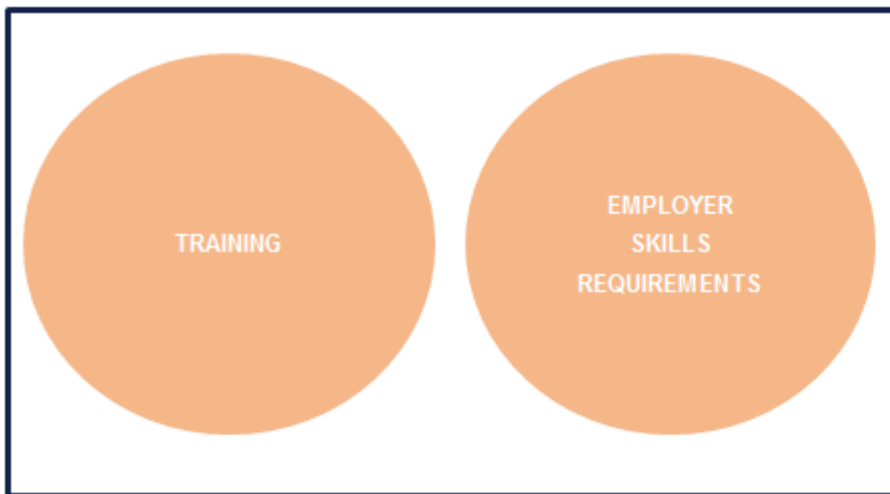
skills working for you

 **SITE Skills Training**

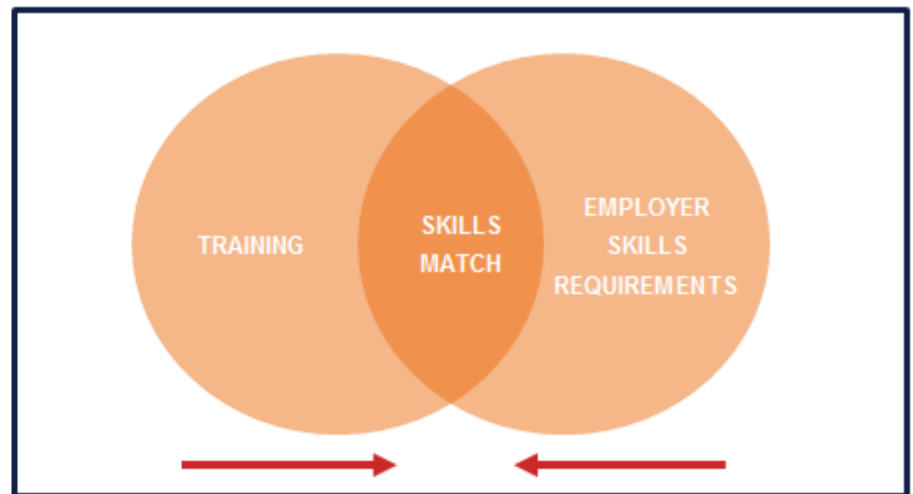
# Skills Matching

Skills-mismatch as a result of qualifications not meeting the needs of employers has been a key barrier to employability of educated and uneducated youth

**Mismatch**



**Skills Match**



## Who funds the training?

Students/Candidates; Employers; Regulatory Authorities/ Government; Training providers; Foundations, NGO's, Development Agencies

# Unique Delivery Aspects

- 365 Day On-Campus Living & Training Delivery (Clark, Philippines)
- Site defines the TVET Delivery Model in conjunction with the employer to ensure **employable job outcomes**
- Commitment from Employer or Recruiter for job outcome prior to enrolment of student
- Key Learning Factors
  - Employment like routine & practices
  - Provision of Student Mentors in native language
  - 'Practice Turn' (Schatzki et al. 2001) delivery style through simulated workplace learning
    - Allows for use of nuanced practical judgement rather than abstract, stable and de-contextualised concepts provided by the theoretical knowledge of the academy.
  - Multicultural learning environment
  - Soft skills inclusive
  - Vocational English (where applicable) delivered to enhance communication skills
  - Australian Qualification Framework used as benchmark for quality

# Malampaya SPEX HSSE Training

<p><b>Challenge</b></p>	<ul style="list-style-type: none"> <li>• Shell Philippines Exploration B. V. (SPEX) requires skilled workers for MP 2 &amp; 3 project</li> <li>• Large pool of unskilled/ semi skilled workers from Palawan &amp; Subic, but SPEX choosing to import labour from other regions</li> <li>• SPEX do not want to directly invest in unproven training, so are importing workers from other regions</li> </ul>	<p><b>Malampaya Foundation</b> Provide for disaffected areas Funded by Resource companies such as Shell, Chevron, PNOC</p>
<p><b>Approach</b></p>	<ul style="list-style-type: none"> <li>• Site Skills Clark are able to deliver high quality training to cover the skills gap in HSE</li> <li>• Malampaya Foundation completely fund training- Agreed in the form of a grant</li> <li>• Students selected, trained to required levels, graduates employed by SPEX or contractors</li> <li>• Local co-provider B.E.S.T. with Site Skills Training</li> </ul>	<p><b>Candidate Cohort</b></p> <ul style="list-style-type: none"> <li>• Predominantly unemployed/ underemployed</li> <li>• Good English</li> <li>• Good aptitude</li> <li>• Excellent attitude</li> <li>• BUT not enough to get opportunity through traditional pathways</li> </ul>
<p><b>Results</b></p>	<ul style="list-style-type: none"> <li>• Unskilled Palawan &amp; Subic youth trained and employed</li> <li>• Approximately 300 semi-skilled youth trained with relevant skills to meet local industry requirements</li> <li>• Average wage of graduates = 600 PHP per day</li> </ul>	



# Ipatas Orion Group Trades Training

## Challenge

- Industry & Orion Group (PNG) requires skilled workers from ENGA
- Large pool of unskilled/ semi skilled workers, but industry choosing to import labour
- Orion Group do not want to invest in unproven training, so are looking to train workers to match required skills

## Approach

- Site Skills Clark are able to deliver high quality training to cover the skills gap
- Ipatas Foundation approached to fund training – Agreed as a loan
- Students selected, trained to required levels, graduates employed at Orion/Industry and further trained on-the-job
- Students repay the loan from wages. Ipatas reinvest in further projects
- Local co-provider Monark Foundation

## Results

- 120 PNG currently being trained with guaranteed employment (32 females & 88 males)
- Significant number of women in non-traditional areas
- Average wage of graduates = US 200 per week
- Orion Group has agreed to fund future programs

## Timing

- Site Skills approached in August 2011
- Discussions directly with Orion until August 2012
- Site Skills approached Ipatas Foundation in August 2012
- Program agreed June 2013
- Students arrived October/November 2013

Training, Education &  
Development Fundamental  
to the Growth of Young Papua New Guineans



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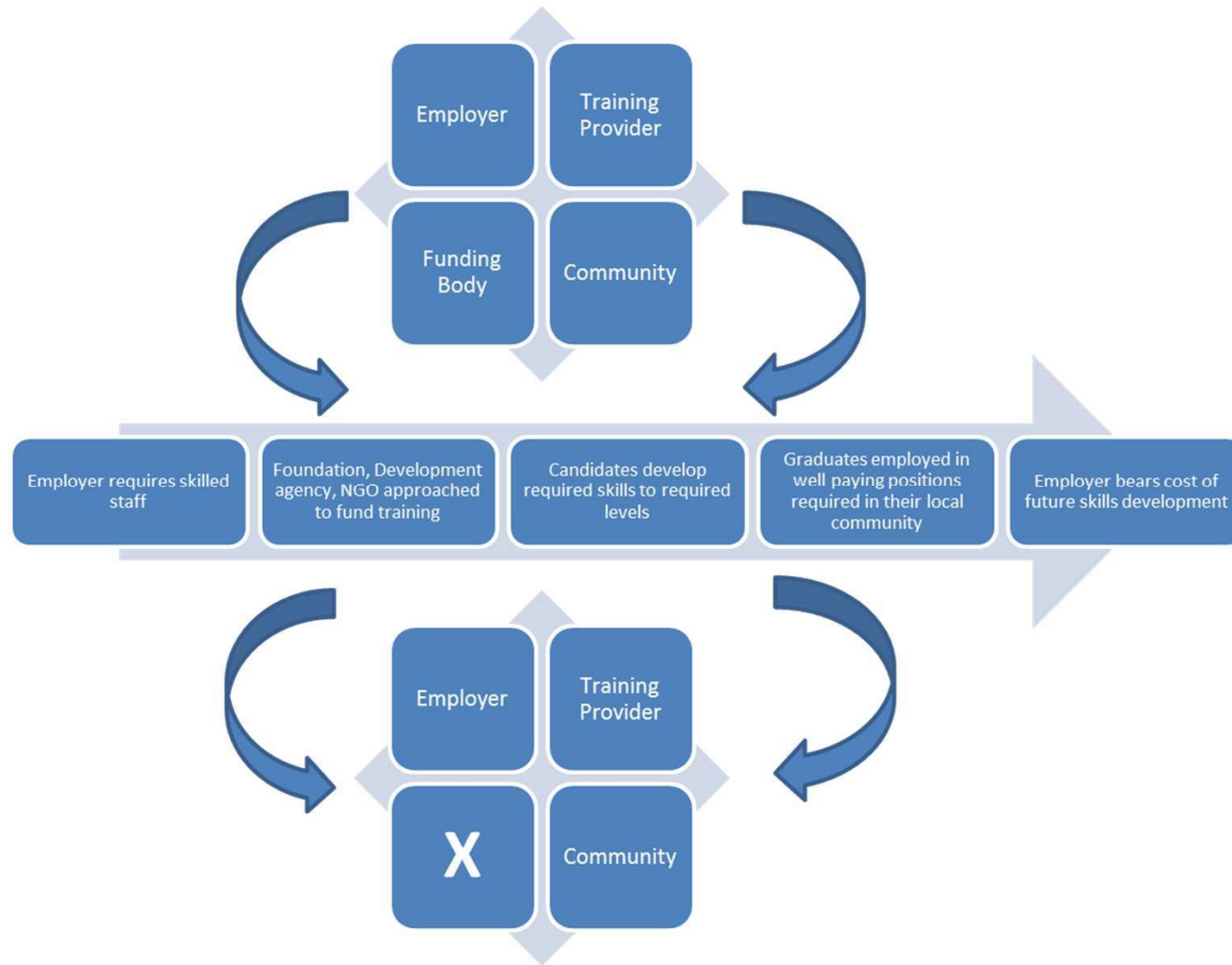
# Funding

- Site Skills manage recruitment, logistics, training, reporting, follow up
- Paid fixed fees to cover recruitment, logistics (medical, visa, etc), travel, training, accommodation and food expenses, stipend, project management
- Travel is agreed in the contract price (not reimbursable) as deal with AirPNG

# Lessons Learnt (Reinforced)

- Many training programs do not produce job ready graduates
- Industry require appropriate level of skills including soft skills
- Lack of ownership for skills shortages
- Industry reluctant to invest in training without proof of concept
- Long lead time
- Excellent pool of talent requiring opportunity
- Money needs to be invested where there is greatest ROI

# New Model





# Thank You



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