

POSITION PAPER ON DEVELOPING HIGHER EDUCATION & PROFESSIONAL EDUCATION

*Presented by
Education & Training Working Group*

Human resources, education, and training are areas asserting increasing importance for maintaining the economic growth of Vietnam. At the 20th Vietnam Business Forum (VBF) on 30 May 2007 in Hanoi, the representatives of local and foreign business communities expressed their special concern regarding the lack of skilled human resources that is already a constraining factor in the development and competition of enterprises. Enterprises are facing problems in recruiting and retaining highly qualified Vietnamese staff. This matter should be addressed urgently if Vietnam wishes to maintain her competitiveness, especially during the post-WTO period when rapid increases in foreign investment will lead to an increase in demand for human resources. With limited State resources allocated to educational development, support and encouragement for private sector participation in education and training will be one efficient solution to this problem.

To facilitate private sector participation in education and training, the Education and Training Working Group (hereafter called the Education Group) comprised of a number of respected educational institutions, was set up within the framework of the VBF to engage in dialogue with the government for identifying solutions to obstacles faced by private educational suppliers, and to work together to develop Vietnam's education sector so that it meets the needs of the labor market. In the immediate future, the Group will concentrate on Higher Education and Professional Education, which will play critical roles in the international integration of the economy and in achieving industrial country status by 2020.

The following are a number of top priority issues that the Education Group wishes to put forth to the relevant authorities for discussion.

1. Quality Assurance and Information Systems

The main challenge facing Vietnamese higher education and professional education is balancing the demands of greater student enrollment while ensuring quality and relevance for the country's economic needs. Expansion of the system without appropriate quality controls will threaten the long-term sustainability of the sector. Furthermore, as educational institutions in Vietnam become more autonomous, greater emphasis will need to be placed on creating a quality assurance framework that allows educational institutions to become accredited. At the tertiary level, the education accreditation will help facilitate cooperation and transfers with foreign universities.

Therefore, we would strongly recommend that MOET should focus on developing both internal and external quality measures and controls to ensure the quality of the education and skill training system. These include accreditation systems that provide oversight on academic quality issues, ongoing external audits of higher education institutions and internal control mechanisms. As the first step, an **independent accreditation body** that applies international practices in education evaluation with clear and transparent assessment criteria should be established. That body should be comprised of representatives from MOET, universities, local and foreign experts. To be effective, this agency should be independent of MOET and be given substantial authority and responsibility to accredit new courses, international co-operation etc. Also

a peer review system should be developed, as it is a crucial part of an effective quality assurance system. The Education group is ready to work closely with the ministry on these very important issues.

The development of a quality assurance and accreditation system as mentioned above will also help facilitate the transferability between local & international degrees. At present, international Diploma, Associate Diploma, or those diplomas from joint-education programs between Vietnamese institutions and international ones which are internationally transferable are not transferable in the Vietnamese educational system. A reliable accreditation system and a transparent and more adequate policy in transferability of degrees both locally and internationally are therefore necessary for creating the basis for the enrollment of international students in Vietnam and facilitating exchange activities between Vietnamese and international higher education institutions.

In addition, an information system should be developed that would publicize feedback on the quality and performance of higher education/skill-training institutions. As the higher education/skill-training system expands, it will become crucial that more information on the performance of institutions be available to applicants and their families. As tuition fees rise and students and their families bear more of the financial costs, they deserve to be fully informed on the quality of the educational services available to them. Equally important is feedback on the positions gained by students on completion of studies, particularly relating to securing positions related to their studies – also refer Item 3 below.

2. Legislation and Policy

Vietnam's Higher Education Reform Agenda (HERA) 2006-2020 envisions continued growth in higher education, with gross enrollment expected to increase 3-4 times from its current levels by 2020. If this growth is to be realized, then the non-public/private sector will need to play a much larger role in the higher education system. The government has to rely on this sector to help absorb future increases in enrollment.

However, government policy on non-public institutions is still unclear and has not been able to keep up with the rapid growth of the non-public sector. Given this rapid development of the non-public education sector and the emergence of new educational models, including not for profit institutions the regulatory framework for these private institutions will need to be clarified and made more readily available, especially in the areas mentioned below.

2.1. Relaxation of Limitations on the Establishment of Higher Education Institutions including Foreign Ones and Encouragement of Prestigious Education Providers to Operate in Vietnam

Licensing provisions for establishing non-public education/training institutions do exist, but they are cumbersome, restrictive, and confusing. The procedures were established to guarantee minimum academic and public safety requirements, but have become increasingly complicated and occasionally inconsistent. In addition, the application process to establish higher education/training institutions is slow and time consuming. It is necessary to build clearer and simpler licensing procedures that outline minimum educational standards. These procedures should be complemented by quality assurance mechanisms that monitor output and outcomes. Establishing criteria should be more practical and feasible. In general, MOET should strengthen its role in post assessment rather than in restriction of the market entry.

The E&T Group would like to have the opportunity to work with MOET to review criteria for establishing non-public education/training institutions in order to make them more pertinent, and improve the licensing process with the aim of becoming more streamlined and consistent, and also helping to prevent opportunistic adventures, to protect society's interest and at the same time to encourage potential providers to participate in the education market.

2.2. Clearer Definition of Education & Training Products and Providers

At present, there is a lack of guidance on legal procedures for the establishment of non-traditional education institutions. An example for this is the establishment of a CEO training institution in HCMC, or a Film academy in Hanoi. It is difficult to figure out the start-up of the application process, identify the licensing body and governing laws/policies. To promote the development of increasingly complex and diversified education systems to meet the needs of a growing economy, a legal framework that promotes the establishment of new forms of education needs to be developed quickly so that supply can catch up with demand.

2.3. Allowing More Freedoms to Higher Education Institutions to Increase the Flexibility and Responsiveness of the System

Currently, MOET has control over planning and direction of education and training systems, admissions policies and levels, and many aspects of curriculum development, materials production, and student grading across all types of higher education institutions. This strong central control limits the possibility for improvements in the organization and governance of higher education institutions. To increase institutional autonomy and accountability, MOET should grant more freedoms to educational institutions, particularly in the areas such as enrolment quotas, curriculum development and international co-operation. The appraisal and approval process of curriculum and international co-operation should be shortened by establishing transparent and consistent procedures. Clear criteria for international co-operation projects should be developed. If the MOET agrees, the Education group can prepare a proposal for consideration and discussion.

2.4. Supporting Policy to Ease Access to Land & Infrastructure

Unlike public providers, private providers receive no subsidies for infrastructure, equipment, and funding. Apart from that, they also have difficulties in the acquisition of land for building schools. In some cases, land acquisition has been prolonged for more than 10 years. *Specific* support in land acquisition should be granted, particularly in land clearance and compensation in order to ease access to land for non-public providers to build up facilities. Also, the mechanism for land grants should be more transparent and clearly decentralized.

2.5. Facilitation of the Process of Obtaining Work Permits in Foreign Education & Training Organizations

The E&T would highly appreciate if MOET could work with MOLISA to address the issues of work permits to speed up the process of approval and granting permits

Exemption of work permit for (general) managers, and (deputy general) managers of foreign education businesses: In accordance with Decree 93/2005/ND-CP and Circular 24/2005/TT-BLDTBXH, while chief representatives and branch managers of foreign businesses enjoy exemption from work permits, general managers and deputy general managers of educational institutions receive no such exemption. Given that these are all

managerial positions, they should be treated similarly, i.e., be exempted from the work permit.

Further simplification of procedures related to the issuance of work permits: Procedures for processing work permits need to be reviewed and streamlined, particularly with regard to recognition of qualification

The proposed accreditation body could provide support in this respect.

2.6. Role of the MOET

In our view MOET should provide broader framework and clear guidelines/criteria to facilitate E&T activities. The Ministry should play a supervisory role rather than a control one. Furthermore, it should not focus too much on planning of activities which are driven by the labour market. Instead, the ministry should build up development strategies as well as provide necessary forecasts to direct E&T players.

3. Adequacy and Relevance to Labor Market Needs

The weak university-industry linkages and the lack of information on graduate employment, labor markets, and skills are among a number of factors that are impeding the ability of the education and skill training sector in Vietnam to respond to economic needs.

To improve the relevance of higher education to labor market needs, several key measures should be taken, including:

- To strengthen university-industry linkages and develop regulatory frameworks that open training/education providers up to dialogue with surrounding economic players (e.g., through business/industry/professional representation in governing bodies, in curriculum review committees, in research review teams, in dissertation panels, etc.)
- To develop a mechanism to encourage enterprises to receive student interns, and create more incentive for work experience opportunities.
- To make sure that information on the employment of graduates, labor markets, and skills is readily available. This will require a comprehensive strategy involving a variety of participants (MOET, HE institutions, MOLISA, GSO, etc). Systematic feedback from recent graduates about the workplace relevance of their courses and training programs should be collected to allow institutions to make changes in curricula and programs. Graduate tracer studies will need to be more effectively carried out and used, the MOLISA labor force survey should be improved and administered more regularly, and firm surveys or censuses should systematically collect information on skills from employers.