

EDUCATION POSITION PAPER

*Prepared by
Education and Training Working Group
Vietnam Business Forum*

Introduction

Honourable Ministers, Ambassadors, Consuls, Ladies and Gentlemen, on behalf of the members of the Education and Training Working Group we would like to thank the Vietnamese Government for facilitating this integral and ongoing dialogue with the VBF. We, as in the past, welcome the opportunity to contribute at this forum.

The education and training business community is proud of its contribution to Vietnam's economic development and through this forum would like to encourage new initiatives to further increase growth in the Vietnamese economy. Whilst we have some specific areas for discussion today we would like to suggest that the most effective way to improve the quality of education in Vietnam would be through the concerted effort of all relevant stakeholders working closely together.

Our Working Group, representing many Chambers of Commerce, is prepared to work closely with MOET, and other Government agencies such as the ACAPR. We would also like to liaise closely with educational institutions in addition to the World Bank and Intel who have a substantial interest in this area.

One of the hot topics at the sessions of National Assembly is the provision of high quality Higher Education in Vietnam. There are many reasons for the current situation as well as proposed solutions, however, in this VBF Forum, the Education and Training Working Group would like to focus on the following areas:

1. *Strengthening University autonomy;*
2. *Disentangling the mechanism between corporate governance and University administration;*
3. *Complete mechanisms of quality control of higher education,*
4. *Some recommendations from the mid-term VBF in June 2011, and*
5. *Other issues raised by our members*

1. Strengthening University Autonomy

To enhance the quality of higher education; facilitate universities in improving programs and teaching methods; create suitable educational products that match with the needs of modern society; equip students with knowledge and necessary skills to be ready to participate in a competitive environment; and international integration; the universities themselves must be granted autonomy:

- Autonomy in designing curriculums and offering competitive and specific courses and programmes, based on the support and guidance of independent science and market research councils, with reference to and absorbing international programmes and their best practices. We would like to request that it should be sufficient for universities to provide training programs, taking into consideration the needs of the labour market, and then submit a copy of those programs to MOET. MOET should only intervene if a particular university does not comply with what they have committed to provide students.

- **Autonomy in the enrolment on basis of the facilities and faculty.** At present, private universities must request MOET's approval on enrolment targets for each course. This procedure is very frustrating, and the standards set by MOET, to determine enrolment targets, are not consistent with the reality of the actual operating system of state universities i.e. regulations on the number of faculty, classrooms area, etc. We propose that MOET apply the methods used in Europe, USA and Australia, amongst others, where state agencies do not control enrolment. If a university provides poor quality training programs, MOET should intervene and work with them to resolve the issue.

While waiting for the promulgated legislation and official documents, MOET should have formal written regulations on the route, and conditions, for granting autonomy to private universities. We believe the granting of autonomy to private universities should be based on their training capacity, faculty, and facilities. The better the quality of these three factors, the more autonomy they will have and vice versa. Accordingly, based on industry conditions, specialised training allowed for by MOET regulations, universities are autonomous, have self-responsibility for opening listed training programs and should only report to MOET for management purposes. MOET's role will only consider opening any additional branches and licensing in the first years of teaching for newly established universities.

The training quality control, after the initial licensing, should be conducted through a checking mechanism and monitoring. There should be strong sanctions for serious violations, or errors in management and training quality, and this is provided for under the current legal framework.

The degree of autonomy mentioned above should apply equally to private and public Universities in Vietnam. It should also apply to Vietnamese and international institutions appropriately qualified in training capacity, faculty and facilities.

2. Disentangling the mechanism between corporate governance and University administration

According to current regulations on organization and operation of a private university, together with Decision No. 61/2009/QĐ-TTg issued by the Prime Minister dated 17 April 2009, private universities have legal status, and the project enterprise itself also has the same status. In fact, the project enterprise holds the assets and is responsible for all activities of the University. To address questions about the existence of two parallel legal entities, the University and the project enterprise, we recommend MOET and MPI should work together to give specific guidance on this issue.

In our opinions, this issue should be handled in the new Higher Education Law, clearly defining powers and responsibilities of investors and project enterprises in relation to the University's activities. This will avoid some inconsistencies in the internal management of the University.

At the same time, the Charter and Regulations on the organisation and operation of private universities needs to be clarified with regards to the role of business administration of the project enterprise and of the university council in educational activities.

3. Complete mechanisms of quality control of higher education

To control the quality of education when creating autonomy for universities, the current legal provisions need to build in standard mechanisms and transparency in assessing the quality of education of training institutions, through:

- ***Clear regulations on educational quality accreditation***

- There should be national standards of education quality validation with guiding regulations for recognising the results of international education quality assessments and specific routes made for universities.
- Regulatory requirements of Education Quality Validation should not only be applicable for new universities or new programs. Operating universities should also be obligated to update their Education Quality Validation report after a certain period of time. In addition, the criteria and requirements for education quality assessment must be applied consistently among all state and private universities. This will create fair competition and contribute to improving the education quality of state and private universities.
- The accreditation organisations must operate as independent entities, similar to external auditors, to avoid "rent-seeking" in quality assessment in higher education.
- In addition, there should be clear rules and transparent conditions for the recognition of results of foreign evaluation institutions for international training programs and for local institutions with foreign elements.
- ***A transparent system of universities ranking:*** To create competition on educational quality, between state universities and private universities, we need to build consistent and transparent criteria for universities ranking.

4. Some recommendations from the mid-term VBF in June 2011

Some recommendations of Education and Training Working Group, at the VBF in June 2011, still remain:

- Foreign labour policy: To ensure Universities can attract faculty and foreign researchers, involved in teaching at international institutions or in collaboration programs, we expect MOET to coordinate with MOLISA to provide guidance for qualified foreigners working in the education industry. This policy should apply to both foreign lecturers and management positions, because experience and management capability in higher education in Vietnam is limited.
- Processing time for procedures: we propose that MOET issue specific regulations on processing times to avoid the risk that procedures may take too long. This could affect the enrolment plans of training institutions.
 - There still remain some inconsistencies in the regulations on opening branches, between Circular No. 14/2005/TTLT-BGD & DT-BKH&DT (Circular 14) / dated 14 April 2005 and Decision No. 07/2009/QD-TTg issued by Prime Minister dated 15 January 2009 (Decision 07), relating to the universities with foreign investment. We recommend that Universities should be permitted to open branches, during the initial implementation, to allow for activities including management training, team building, faculty development, facilities construction etc.

MOET should promulgate regulations on international universities in order to create conditions for Vietnam to become a destination for regional and international students. Vietnamese universities, besides opening regular programs under Vietnamese regulations, should also be permitted to more to develop international programs for the above reasons.

The Education and Training Working Group anticipates that the submission, of the new University Education Law to the National Assembly in May 2012, will propose possible solutions to the above concerns of investors in the higher education industry.

To assist with the improvement of policies we would like to propose the strengthening of dialogue, and the exchange of ideas, between training institutions and MOET. During the process of issuing documents we would encourage MOET to hold talks with as well as seeking feedback and opinions from the education and training institutions. The Education and Training Working Group of VBF is ready to participate and support these activities.

5. Other Issues raised by our members

- **Vocational Education** - The Government should continue improving the quality of vocational training programs based on industry needs. For example, foreign - invested companies in the manufacturing sector, which is contributing to Vietnam's economic development, requires more skilled technicians. It is suggested that the responsible government agencies, such as the General Department of Vocational Training (GDVT) under MOLISA, should encourage vocational schools to improve their programs by carefully analysing industry needs.

In addition, the Government should urge high schools to promote vocational courses as a future option to their students. This can be achieved by cooperation with schools that provide vocational courses. More technicians are needed by industry and the reality is that not all high school graduates will be able to enter university courses. In order to persuade more high school students to become interested in vocational training programs, it is suggested that the Government should improve the paths that vocational college graduates can use to transfer to university courses. This has already been started within some schools.

- **Enrolment of Vietnamese students in Primary and Secondary Schools** - It is vital for the healthy development of international schools in Vietnam, to be able to enrol Vietnamese nationals in the interests of both Vietnamese business and the Vietnamese Government. Vietnamese children should have the opportunity to have an international education in Vietnam.

It will be easier for foreign businesses to attract and retain high quality, educated and talented Vietnamese employees if they have the option of sending their child to an international school. Vietnamese employees sometimes seek international assignments so their children can be educated abroad.

- **The skills of graduates entering the workforce** – There is a serious concern about the competency of graduates, to perform effectively, when they enter the workforce. In many instances companies have to provide training for new staff, particularly in soft skills, to enable them to perform at a reasonable level. The quality of education, particularly at the higher levels, should focus on providing students with these skills.
- **A model for an Ideal Higher Education System** – Please refer to Figure 1 below. This model, developed by Intel, provides an overview of the relevant components of a quality higher education system. We would like to suggest that this model could be used as a basis for developing improvements in education in Vietnam.

Conclusion

The Vietnamese economy continues to grow and this is of benefit to the citizens of Vietnam. Quality education is required to provide the skilled workforce to maintain this growth. As mentioned in our introduction this would require the combined efforts of relevant stakeholders working closely together to find effective solutions. The Education and Training Working Group, through the VBF, will continue with its commitment to assist Vietnam in achieving its economic potential.

We look forward to seeing progress in the above areas and again would like to thank the VBF for inviting us to present at this forum.

Figure 1

