Executive Summary

Background

The 2011 Impact Evaluation Study (IES) of TVET Programs aims to measure the external efficiency of TVET delivery, mainly in terms of the employment rate of graduates. The IES is conducted regularly, at least on a biennial basis. For 2011, the study covered 2009 TVET graduates in all delivery modes. Findings on the graduates of the Training for Work Scholarship Program (TWSP) are one of the main features of the report. The sampling and survey methodology used in the IES are cleared with the National Statistical Coordination Board (NSCB).

Profile of TVET Graduates

- A total of 755,242 TVET graduates were considered in this study. The regional breakdown indicates that the National Capital Region (NCR) had the highest reported number of graduates with 164,065 (21.7%), followed by Region IV-A with 116,042 (15.4%) and Region III with 72,485 (9.6%).

- A quick look at the demographics of the respondents shows that the male graduates still outnumber the females at a ratio of 6:5. Graduates were predominantly young, in the 15 – 24 age group (60%) and are mostly high school level or high school graduates (46.1%). It should be noted that, compared to the 2008 IES results, there was a substantial increase in the number of graduates who had college education i.e., college undergraduates and college graduates accounting for 24.7% and 16.0%, respectively.

- In 2009, a network of over 4,000 TVET providers nationwide was accounted for. Of these, more than 60% of private TVET providers produced 539,342 (71.4%) graduates while more than 30% of public TVET providers to include the 125 TESDA Technology Institutions had an output of 130,919 graduates (17.3%). Other publicly funded TVET providers composed of LGUs, local community colleges and few SUCs contributed 84,981 (11.3%).

- By type of registered program, TVET graduates who took up programs with training regulation (WTR), were pegged at 585,781 (77.6%) while graduates of programs with no training regulation (NTR) were recorded at 119,703 (15.8%).

- The Information and Communication Technology (ICT) - related courses, specifically the Computer Hardware Servicing NC II and Programming NC IV were the most popular courses with 55,091 and 43,242 graduates, respectively. Shielded Metal Arc Welding (SMAW) NC II of the metals and engineering sector was the next preferred course with 42,414 graduates.

- To broaden access and education opportunities, scholarships such as Training for Work Scholarship Program (TWSP), Private Education Student Financial Assistance (PESFA) and other financial assistance programs had been provided to 491,447 (65.1%)

graduates. Of these, close to ninety-five percent (94.7%) were TWSP scholars. Both PESFA and LEP accounted for less than 1% only. About three percent (2.8%) were scholars of other programs sponsored by the LGUs and other TVET stakeholders.

- While the majority (585,781 or 77.6%) of the graduates were from WTR programs (with training regulations, still a remarkable number of graduates were from NTR programs (119,703 or 15.8%).

- One of the guidelines issued by TESDA on the availment of scholarship provides that a scholar may avail of slots up to two related qualifications per beneficiary. While majority (435,585 or 96.6%) of the beneficiaries availed the scholarship only once, around 2,021 beneficiaries who were able to take more than 2 qualifications

- It is noteworthy to mention that the policy on mandatory assessment of TVET graduates in programs with training regulations was implemented and adopted. Out of 585,781 TVET graduates in WTR, more than three-fourths (75.4%) or 441,979 indicated that they took the assessment. Comparing it to the national assessment rate of 47.5% in the 2008 IES, an increase of more than a quarter percentage points (27.9%) was noted.

- The overall certification rate was registered at 88.0%. Majority of the sectors, i.e., tourism, agri-fishery and health, social and other community services had high certification rates above 90%. The certification rate of TVET graduate-scholars other the hand was 84.4%.

Labor Force Participation

- The IES results showed that the labor force participation rate (LFPR) of TVET graduates accounted for 74.5% (562,869) of the total number of graduates. This LFPR result was 7.1 percentage points lower than the 2008 IES survey result of 81.6% LFPR.

- On the other hand, graduates of scholarship programs had a LFPR of 75.9%, which is higher than the graduates of regular TVET programs with 71.9%.

- By delivery mode, the highest LFPR was registered by graduates of enterprise-based programs at 89.1% and the lowest was registered by graduates of community-based programs at 71.7%.

Employment Rate

- The overall employment rate of the TVET graduates in 2011 as percent of total graduates in the labor force is registered at 60.9% at the time of survey. The total employment rate increased by 5.8 percentage points from 55.1% in 2008. However, it will be noted that LFPRs between the two surveys (81.6% in 2008 IES vs. 74.5% in 2011) spelled out the difference.

- The distribution of employment by region showed that CAR had the highest employment rate (82.8%). Regions VII, IV-B, II, and XII shared the next highest employment rates of 74.1%, 71.4%, 69.7% and 68.1%, respectively. This is consistent with the April 2011 NSO LFS wherein these regions posted high employment rates.

- Employed TVET graduates of scholarship programs had a higher employment rate of 61.7% as compared to graduates of regular TVET programs with an employment rate of 59.1%.

- By delivery mode, the highest employment rate was registered by graduates of enterprise-based programs at 83.1% and the lowest was registered by graduates of community-based programs at 56.4%.

- By type of training providers, graduates of TESDA technology Institutions had the highest employment rate at 67.9%.

- Although certification rates continue to increase, there is still a need to promote the value of certification and recognition by the industry for hiring, promotion and wage determination.

- Results of the study showed that a high percentage of the employed TVET graduates who landed in jobs related to their training program attended.

- The Youth Profiling for Starring Careers (YP4SC) program of TESDA seemed to be successful in providing career options for TVET graduates. Fifty-nine percent (59.0%) of employed graduates who enrolled in courses in line with the results of YP4SC landed in jobs that are related to these courses. Those who did not take the YP4SC or those whose courses are not in line with the YP4SC results are recorded at 52% and 53.5%, respectively.

- 39.8% or 136,170 of the employed TVET graduates had an average monthly income within 5,000-9,999 income bracket. 27.7% of the employed graduates are earning more than 10,000, while 21.5% are earning less than 5,000.

- There is no significant difference as to the income level percentage share between scholars and non-scholars.

- Certification was not a major factor in increasing the income levels of employed TVET graduates as the results showed that there is not much difference in the income levels between those who took and passed the assessment and those who did not take as reflected by the percentages within income groups.

- Forty-one percent (40.9% or 94,104) of the total employed scholars found their present job through referral system. Walk in applicants ranked 2nd with 29.6% (68,282). The Blue Desk of TESDA referrals accounted for only 2.7% or 6,166 graduates.

Conclusion and Recommendation

TVET has gained recognition and is viewed as a strategic option in the development of human resources. With the end in view that investing in TVET will lead people to jobs or engage themselves into productive, decent economic activities, TVET enjoyed huge financial support on scholarship programs in the recent past.

The skills certification or passing rate as the metrics for internal efficiency is high at 88.0% but the employment rate is still on a relatively low level at 60.9%.

With the employability as the metrics of external efficiency in TVET, it should be emphasized that employment is a function of many factors. The acquisition of competencies required by the industry would be a critical factor only if adequate jobs are available for a greater number of trained skilled workers.

TVET is expensive and requires partnerships with the industry. When funding becomes the focus of government policy, it would be beneficial for the whole government and for TVET in particular to maximize the government funding assistance by increasing industry participation in pursuing TVET. The increase in the scholarship budget could be used as an instrument for greater assistance to increase the level of participation of private TVET providers.

Based on the findings, the following recommendations are being put forward to improve further the delivery of TVET services thus making TVET more relevant to the needs of the labor market:

- Sustain and strengthen quality assurance mechanism of TVET training delivery
  - ✓ Continuous implementation of free assessment program to assist graduates/workers. Moreover, there is a need to intensify the advocacy on assessment and certification to increase the client's awareness on its importance.
  - ✓ Undertake the monitoring of the conduct of assessment and certification at the field level.
  - ✓ Institutionalize the regular conduct of the synchronized National TVET Competency Assessment and Certification (NATCAC). Sectors for synchronized NATCAC should be scheduled accordingly to cover all sectors and for simpler monitoring and reporting.
  - ✓ Continuous conduct of compliance audit for both land-based and sea-based programs. Strict monitoring on the corrective measures should be implemented to ensure quality TVET provision and continuous compliance to standards.

- Strengthen existing TESDA partnerships with the industries to further improve and promote TVET:
  - ✓ Pursue more purposive and active labor market information to provide signals and redirect training program initiatives towards priority sectors with highly in demand and critical jobs.
  - ✓ Pursue advocacy on assessment and certification and on influencing the industry to put premium on certificated workers in their hiring and promotion practices.
  - ✓ Pursue stronger partnership with the industry on training delivery particularly company-based training, i.e, apprenticeship, DTS, on the job training (OJT).
  - ✓ Pursue advocacy for industry-based assessment and certification.
  - ✓ Set up an incentive scheme for the industry to participate and support the above areas of concern.

- Improve and make the scholarship programs more efficient and effective by adapting the following measures:
  - ✓ Improve the selection and targeting of TVET beneficiaries especially students/trainees
  - ✓ Scholarship program could be a mechanism in promoting company-based training (apprenticeship, learnership, on-the-job training, etc.) to increase participation of the private sector in TVET.

- ✓ Focus the fund assistance to enterprise-based training and other private TVET providers with high employment rates.
- ✓ The entrepreneurship as one path of employment could be considered to create more employment opportunities.
- ✓ Institutionalize the workplace language training to enhance employment intervention measure
- ✓ Continue to focus the scholarship programs on occupations with high demand
- ✓ Pursue and intensify a more systematic monitoring of the implementation and results/outcomes of scholarship programs

- Intensify the provision of support services such as career profiling and career coaching to improve the best job fit matching. As much as possible, results of the best jobs fit matching should be the basis in awarding scholarships to deserving TVET beneficiaries.

- Intensify the job placement/referral system of TVET institutions, i.e., Blue Desks, PESO and linkages with the industry to provide information on TVET services, labor market information, jobs placement and other training and job related information.

- Bifurcate employment options to wage and entrepreneurial activities. Technopreneurship has to be directed and purposively driven towards communities that are demanders of services of trained and certified workers.

- Re-mainstream CBTED as an approach in galvanizing nurturing communities thru the convergence of unified infrastructures, connected institutions and targeted sectors of the trained and certified workforce.