

## **POSITION PAPER OF EDUCATION & TRAINING WORKING GROUP**

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

### **Executive Summary**

Quality education, at all levels, remains vital for the future growth of the Vietnamese economy and the ability to take advantage of opportunities that will emerge from Industry 4.0. The Education and Training Working Group (E&TWG) continues to support both MoET and MoLISA in improving the standard of education. Progress is being made on a number of fronts. However, there are still some challenges that need to be addressed.

This paper focuses on two main areas firstly, Decree 86 that replaces of Decree 73 and secondly, Technical and Vocational Education and Training (TVET) issues.

The promulgation of Decree 86, that will occur later this year, will create a more effective environment for educational institutions to operate and deliver quality education relevant to the needs of industry. This is very positive and we would like to thank MoET for their great work to accomplish this.

In relation to TVET, it is essential that there is more collaboration and communication between educational institutions themselves to ensure amongst other things mutual learning of local good practices. Collaboration and communication is also needed between education institutions and industry. A number of ODA agencies are providing valuable assistance with these initiatives.

The Government of Vietnam is encouraged increase the percentage of Vietnamese students permitted to study at international schools where important early language learning takes place and learning styles that encourage critical thinking and creativity are developed.

In conclusion, the Vietnamese economy needs a highly competent workforce with the knowledge and skills to be ready for Industry 4.0. The Education and Training Working Group, through the VBF, will continue with its commitment to assist Vietnam in achieving its economic potential.

## **1. Introduction**

Preparing human resources to be effective for Industry 4.0 and the effects of emerging technologies are two major areas that need to be addressed effectively in order for Vietnam to continue to be successful both socially and economically. Advancements of technology have dramatically changed the way people live their lives today, including how they operate in the workplace.

Automation and Artificial Intelligence (AI) will take over many manual jobs as sophisticated technology will do the tasks faster, and produce higher and more accurate results more efficiently. This will provide both opportunities and threats to employment in Vietnam. There will be greater opportunities for highly skilled people on the one hand and simultaneously many low skilled jobs will disappear. It is therefore imperative that the Vietnamese workforce of the future is provided with the necessary knowledge and skills to succeed in this new environment. It is imperative that education and training in Vietnam is relevant to the needs of this new economy.

The purpose of this position paper is to look at both opportunities and issues with regards to education in Vietnam taking Industry 4.0 into consideration and not forgetting that achieving full potential with regards to Industry 3.0 is still vitally important. Vietnamese people value education and it is important to provide the best quality education for the benefit of Vietnam as a whole. As mentioned in previous position papers there is a need for a high quality education system that focuses on future needs. This is driven by many factors including but not limited to:

- supplying “work ready” graduates to the workplace both now and in the future,
- improving the productivity of the Vietnamese workforce through better use of technology and improved work practices,
- growing a strong economy in Vietnam making it more competitive both regionally and globally,
- building a “learning society” to better serve Vietnam’s international integration in this digital era, and
- providing an environment where more Vietnamese students decide to study domestically.

This can be achieved by helping Vietnamese institutions to, among other things to:

- become more focussed on the needs of industry by providing relevant and practical educational programs,
- incorporate relevant technical knowledge with the people skills needed for graduates to be more effective in the workplace,
- build up the leadership and management capabilities of Vietnamese institutions, and
- recruit more academic staff that have extensive practical experience to back up their academic knowledge.

In addition to the capacity building of Vietnamese educational institutions there is a need to create a more favourable environment for existing educational institutions to operate and also to attract more quality foreign institutions to Vietnam. It is important that the Vietnamese government and departments including MoET and MoLISA provide an environment for quality education, at all levels to flourish.

This report will focus on the following areas:

- Decree 86 that will replace Decree 73, and

- Technical and Vocational Education and Training
  - Additional proposal for Involvement of the private sector
  - Promotion of mutual learning of local good practices between enterprises and TVET institutions
  - Transfer from MoET to MoLISA
  - Other TVET Issues
- Vietnamese students attending international schools

## **2. Decree 86**

The promulgation of Decree 86 will come into effect since August 1st, 2018, provides specific regulations on foreign cooperation and investment in education. The new provisions of the decree greatly encourage and promote foreign investment. The conditions and procedures for the establishment and operation of foreign educational institutions have been reduced appropriately to create a transparent and efficient legal environment for the educational investors.

Foreign investment in education and training is vital to transfer critical knowledge and skills to Vietnam. This investment will help prepare human resources to be effective for Industry 4.0. These foreign institutions will both compliment and collaborate with Vietnamese institutions that are already adapting to the challenges of the needs of the new economy.

The Education and Training Working Group of the VBF contributing many ideas to the revision of the decree to make it more effective. MoET worked hard to obtain the approval from the Government at the earliest possible stage.

The implementation the new decree is a major milestone in education in Vietnam. It serves to demonstrate the desire of the Government to improve education and training that will prepare human resources to be effective for Industry 4.0. The Education and Training Working Group would like to take this opportunity to thank the Vietnamese Government and MoET for the issuance of decree 86/2018 with its transparent and efficient policies. We look forward to continuing to assist in this area, and would like to take this opportunity to thank MoET for their on-going cooperation and support.

## **3. Technical and Vocational Education and Training (TVET)**

Vocational skills training and boosting employment is at the heart of the Vietnamese Government development goals. The Government also wants to tailor its vocational training more to the needs of industry and advanced technologies and to focus more on the skills needed for the effective implementation of Industry 4.0. Therefore, it is promoting the expansion of vocational education and training with improvements in quality and a focus on needs-based training.

The new law on Vocational Education and Training is an important step in improving TVET in Vietnam. Much work has already been carried out in conjunction with local and overseas agencies, and continued collaboration through active working groups coordinated by MoLISA would ensure that the impact of this work is more effective. There are some elements of the draft decree replacing Decree 48 that we would like to raise for consideration for change.

### **3.1. Additional proposal for Involvement of the private sector**

It is proposed the government should try to involve not only large enterprises but also foreign and local SMEs in the TVET reform, which account for the majority of firms. In particular, small and medium suppliers of parts and components, belonging to supporting industries, often require skilled technicians and operators. Accordingly, some of them are eager to contribute to curriculum improvement in TVET institutions.

For example, in Dong Nai Province, Lac Hong University and Dong Nai Vocational College of High Technology have designed and implemented the unique interactive training courses on 5S (basic production management method) and basic occupational health and safety courses including new methods such as risk assessment, with technical guidance from the advisory group which comprises Japanese SMEs, JICA, AOTS, and local government officials.

### **3.2. Promotion of mutual learning of local good practices between enterprises and TVET institutions**

It is useful to promote mutual learning of local good practice on the partnerships between enterprises and TVET institutions. There are some emerging cases of the partnerships in Dong Nai Province as mentioned above, Hanoi (e.g. Hanoi University of Industry), and Ho Chi Minh City (e.g. Industrial University of Ho Chi Minh City, Cao Thang Technical College). TVET institutions and officials in other places may learn a lot from their achievements and challenges, even though they need to identify a form of partnerships suitable for their social, economic and institutional context rather than merely borrowing those cases.

### **3.3. Transfer from MoET to MoLISA**

There were a number of issues in regards to this and we thank MoLISA for their cooperation and recommend that any outstanding issues be addressed to ensure a smooth and effective transition from MoET to MoLISA. Please refer to our previous position paper from December 2017 for further information on these issues.

### **3.4. Other TVET Issues**

The Vietnamese government has recognised the need to increase the involvement of the private sector in TVET. This will help raise additional resources for TVET implementation, and improve the quality and relevance of TVET training programs. Progress, however, has been somewhat slow which indicates that the current strategies to promote this initiative and their implementation are not sufficiently effective to attract the participation of private enterprise.

One possible strategy to involve the industry, as identified by organisations including, but not limited to ADB, GDVT, GIZ, ILO and JICA, is through the initiation of active collaboration measures by the TVET institutions. Activities that have been identified that could be implemented in order to improve collaboration between industry and foreign invested colleges were provided in the E&T WG position paper of December 2017.

Whilst there are many excellent initiatives that are all helping improve TVET in Vietnam we still believe that the main areas that need to be addressed are:

- meeting industry needs through dynamic curriculum development,
- improving recruitment processes through better program offerings and marketing ,

- building the capacity of teachers, managers and leader along the international and modern TVET institutional practices, and
- effectively implementing the National Qualifications Framework.

It is important that we continue to work on these areas and find solutions to help improve the TVET system. We look forward to continued progress in this matter and would like to take this opportunity to thank MoLISA in advance for their cooperation.

#### **4. Vietnamese students attending international schools**

Currently, international education serves the needs of both the expatriate community, for whom such education is available on par with their home country, and, to a limited degree, Vietnamese students. By providing high-quality international education in the country's primary diplomatic and investment hubs, international schools contribute to the infrastructure needed to attract additional investment to Vietnam. The longer-term benefit, however, is that it also exposes a select number of Vietnamese students to an elite international education.

International education has a number of core benefits. Firstly, it exposes students to a style of education which focuses on classroom participation, individual expression and critical thinking. Secondly, it tends to focus on a "whole child" concept that balances healthy doses of art, music and athletics together with a steady focus on academic rigour. These learning styles help students perform at higher levels if they are to go on to study at international universities, and also helps them to be more successful in the rapidly changing workplace.

Vietnamese students play a very important role in international school student communities. However, currently the law does not allow any Vietnamese enrolments at kindergarten level and limits the number of Vietnamese students in primary schools and secondary schools in that the number must not exceed 10% of the total number of students. In high schools, the number must not exceed 20% of the total number of students.

With an eye toward enhancing white-collar job readiness and increasing productivity at the top of the labor pool, The Government of Vietnam is encouraged to double the percentage of Vietnamese students permitted to study at international schools at all levels, including kindergarten where important early language learning takes place and learning styles that encourage critical thinking and creativity are developed.

#### **5. Conclusion**

The ability of the Vietnamese education systems to deliver quality education at all levels is imperative for the Vietnamese economy to embrace Industry 4.0. This will require the strong leadership of the Vietnamese Government and especially MoET and MoLISA working closely with other relevant stakeholders to find effective solutions.

The Education and Training Working Group through the VBF will continue (in cooperation with both MoET and MoLISA), with its commitment to improve education and training in Vietnam. We look forward to witnessing development and progress in the above areas and again would like to thank the VBF for inviting us to contribute to this important forum.