

European Employment Policy Observatory (EEPO)

Ad hoc request

Country fiches on skills governance in the Member States

Lithuania

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Directorate-General for Employment, Social Affairs and Inclusion European Employment Policy Observatory (EEPO)

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1 Imbalances in the labour market

Over the last decade Lithuania has evidenced considerably high volatility of labour market indicators. The fluctuations were mainly influenced by economic cycles in the country. The rapid economic growth of the country over the period 2004-07 was accompanied by a rather stable growth both in the number of employees and the employment rate (in the 15-64 age group). During the mentioned period, the employment rate rose from 61.8 % to 65.0 %, along with an increase in the number of the employed from 1,407 to 1,423 thousand (see Table 1). The lowest unemployment rate (4.3 %) was recorded in Lithuania in 2007. With the onset of the economic recession in 2008, the situation in the labour market was worsening every year until 2012. In 2010, the unemployment rate surged to 18.1 % in the country, whereas the employment rate fell to 57.6 %. The Lithuanian labour market showed the first signs of recovery in 2012.

Table 1.	Labour market indicators in Lithuania in 2004-2014
Tuble 1.	

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Real GDP growth rate (%, compared to previous year)	n/a	n/a	7.4	11.1	2.6	-14.8	1.6	6.1	3.8	3.3	2.9
Number of employees (15-64), thousand	1,407	1,413	1,405	1,423	1,397	1,290	1,224	1,226	1,244	1,264	1,288
Employment rate (15- 64), %	61.8	62.9	63.6	65.0	64.4	59.9	57.6	60.2	62.0	63.7	65.7
Unemployment rate (15-64), %	10.8	8.4	5.8	4.3	5.9	14.0	18.1	15.7	13.6	12.0	10.9
Youth unemployment rate (15-29), %	13.6	10.1	7.0	6.2	9.5	21.3	27.2	23.2	19.6	17.1	14.7

Source: Eurostat

In 2014, the unemployment rate in Lithuania stood at 10.9 %, being slightly above the EU-27 average (10.3 %). The employment rate also reached a peak of 65.7 % in 2014 (64.9 % in the EU-28). In 2014, the youth unemployment rate was 14.7 % in Lithuania (17.5 % in the EU-28).

According to the data of the Lithuanian Labour Exchange (LLE), during 2009-13 a total of about 20 thousand jobseekers were applying to the Labour Exchange every year; in 2014, 17.1 thousand jobseekers were unemployed graduates accounting for 17.8 % of the total young unemployed (under 29) registered with the LLE (19.4 % in 2013 and 17.6 % in 2012).

LLE's figures show that unemployed graduates registered with the LLE usually are:

- University graduates holding degrees in law, social work, public administration, business management, economics, etc.
- Vocational school graduates with acquired professional qualifications of car mechanics, cooks, building finishers, hairdressers, waiters and bartenders, technical supervision staff members, etc.

In spite of the improving labour market indicators and quite a big number of annually trained professionals, some companies in Lithuania are facing the problem of skills shortages. In 2014, PwC Lietuva conducted a survey covering interviews with chief executives of 104 biggest companies operating in different sectors in Lithuania. According to the survey, even 85 % of respondents reported facing shortages of certain

skills and about 50 % Lithuanian CEOs said that insufficient supply of skills they need poses a very serious threat for their business. More than half of the respondents (51 %) were of the opinion that the biggest shortage is for technical professionals. Sales professionals represented the second most lacking profession indicated by the CEOs (36 %) and IT professionals were identified as the third most lacking skill (22 %).

It should be noted that Lithuania repeatedly emphasises an oversupply of social science graduates and undersupply of technical professionals. According to the Association of Lithuanian Higher Education Institutions for the Organisation of General Admissions (LAMA BPO), 43 % of university entrants chose social sciences in 2014, as compared to 15 % of those entering technological sciences and 9 % opting for physical sciences. This problem was also highlighted in a recent study carried out by Visionary Analytics. The study focused on skills imbalances in Lithuanian engineering industry. Initial problem definition rested on a paradox: although intake into engineering programmes in Lithuania is among the highest in the EU, the industry faces problems in recruiting inadequately trained engineers. The study found that motivation and academic achievements of a typical entrant to engineering programme is rather low. Lack of motivation resulted in the high students' drop-out rate: around half of entrants dropped out during the two years of studies. To tackle it, considerable investments should be made in developing skills and motivation of secondary school students¹.

There are also notably challenges related to quality and attractiveness of vocational training in Lithuania as only a very small proportion of young people choose vocational training after graduation. According to Lithuanian Statistics (STD), in 2014 around 67 % of secondary school graduates continued studies in colleges and/or universities the same year vs. only 10 % of secondary school graduates who continued their studies in vocational education institutions the same year.

2 Production of labour market and skills intelligence

2.1 Forecasting capabilities

Actually there are two main forecasting instruments developed in Lithuania to measure/assess labour market needs and/or skills needs. These are:

- 1) Forecasting tools developed by the LLE: National forecast, Job opportunity barometer and Occupations map.
- 2) Qualifications (skills) map developed by the Research and Higher Education Monitoring and Analysis Centre (MOSTA).

More detailed information about these forecasting tools in Lithuania is presented below.

LLE forecasting tools: National forecast, Job opportunity barometer and Occupations map

<u>National forecasts</u> of labour force employment for the next year have been produced by the LLE on an annual basis since 1995. The purpose of forecasting labour force employment is to plan activities of labour exchanges; to seek the match between labour supply and demand; to assess the need for labour market vocational training.

¹ Visionary Analytics, Institute of Social Innovations (2013). *Potential of Lithuanian education system to ensure the growth of competitiveness of the national engineering industry*. Study report. Available on the Internet: http://www.linpra.lt/lt/apie-asociacija/naujienos/specialisturengimo-lietu-y5z5.html

The basis of labour force forecasts lies in employers' interviews conducted by the Territorial Labour Exchanges (TLEs)² in September-October (every year). The forecasts are preceded by the analysis of economic and demographic indicators which uncovers general developments in the labour market. A random selection method is used to select employers who are interviewed using a standardised questionnaire. The questionnaire contains the questions about:

- the company (geographical location, form of ownership, types of activities, etc.);
- the existing and forecasted demand for company's products/services (decrease, no changes, increase in the demand for company's products/services);
- investment expectations (whether the company plans to invest into the development of its products/services in the nearest year);
- the existing and forecasted number of employees in the company;
- intended redundancies of employees by professions;
- intended employment of new workers by professions;
- the existing and forecast problems relating to the shortage of employees;
- the need for vocational training of employees.

Basing on the obtained data, TLEs produce next year's labour force employment forecasts and job opportunity barometer in the territories they service. The LLE summarises the results received from the TLEs and produces the national forecast and job opportunity barometer that are published in December (every year).

The national forecast encompasses a lot of information, but major attention is paid to the forecasts of employment, portion of the unemployed in the total number of people of working age, establishment/liquidation of jobs and professions. In addition, the forecast presents quantitative projections of participants in labour market policy programmes for the next year. Employment dynamics in economic sectors is forecasted by the types of economic activities (agriculture, manufacturing, construction and services) and groups of professions.

<u>Job opportunity barometer</u> is a short-term (one-year) forecast reflecting professions that are demanded and less demanded in different regions of Lithuania. The job opportunity barometer is based on the data derived from employer interviews and LLE's expert opinions on forecasted employment for different groups of professions. In addition, having the biggest data bank on job vacancies in the country, the LLE analyses labour demand and its dynamics. The Top 10 occupations and professions mostly demanded in the labour market are monthly placed on the LLE's web site both for the whole country and broken by municipalities. The forecasting of demanded occupations is focused around three groups of employees - professionals, skilled workers/service sector employees and unskilled workers.

The occupations map covering 155 groups of occupations was first developed by the LLE in 2015 on the basis of the job opportunity barometer. This map presents projected supply and demand situations for particular groups of occupations by municipalities, marking the groups of occupations that are demanded, less demanded and irrelevant for a specific region and reflecting the supply and demand statistics for the last six years.

 $^{^{\}rm 2}$ Currently there are 10 territorial labour exchange offices in Lithuania. They administer 49 customer service units all over Lithuania.

While assessing the adequacy of the LLE forecasting tools to measure/assess labour market needs and /or skills needs, it is important to note that the LLE forecasting tools are quite widely used by representatives of education policy, vocational education and training institutions, and individuals seeking to obtain certain skills. However, it should be pointed out that the dominant labour market forecasting method in the mentioned forecasts is employer interviews, and this does not always produce a realistic reflection of the situation. Researchers identify the following main weaknesses of the interviews as a method to forecast the quantitative needs of the labour market³:

- Employers are often too "optimistic" about the needs. Such a situation can be explained by employers' interest in having, as rule, possibly higher skilled employees, irrespective of whether such high skills are required for a specific job. In addition, employers are usually interested in larger supply of certain skills than demanded in the labour market.
- Employers usually do not plan, if at all, their needs for skills hiring for more than a year's period. Therefore, employer interviews are not accurate enough to measure the need for professionals.

One more weakness in this context is LLE forecasting tools being more focused on the description of the current situation and short-term (usually one year's) forecasts. Such forecasts do not provide grounds for assessing labour market needs or skills needs in a longer run (e.g., in a five years' perspective).

Qualifications (skills) map

In order to assess the labour market situation of graduates in different fields of studies, in 2014 MOSTA developed a concept of the qualification (skills) map (QM), as ordered by the Ministry of Education and Science of the Republic of Lithuania, and conducted a preliminary analysis of the qualifications map. This cross-cutting analysis presents the labour market situation of graduates from various fields of studies. The analysis is broken by the length of recruitment, pay for work, distribution of the pay between the public and private sectors, inter-regional migration, employment rate, gender pay gaps, and other characteristics of graduates. The analytical procedure of the preliminary analysis involved 2012-13 data on 75 thousand persons working in Lithuania.

The primary objective of the QM was to develop a monitoring and analysis system based on data from Lithuanian registers, enabling cross-cutting monitoring and forecasting of human resources. The QM allows identifying differences between graduates from university/non-university (college) studies and vocational training, and provides a basis for further analysis of differences by study cycles (bachelor degree, master degree, integrated studies) all over Lithuania.

For the purpose of comprehensive assessment of graduates' situation in the labour market, the QM combines three national databases: the Education Information System (EIS), the Board of the State Social Insurance Fund (Sodra) and the State Tax Authority (STA). Personal data derived from the EIS provide information on education, study/training programmes of persons, the year of acquiring qualifications or degrees, and other more detailed information related to their education history. Sodra's data provide information on the insurable income, employment periods and occupations of the persons. The STA provides data on the individual activities and residence of the persons. Hence, the QM gives a detailed picture of available professionals and their

³ BGI Consulting (2010) A study on the map of needs for professionals and competences. Final report. Available on the Internet:

http://www.smm.lt/uploads/documents/kiti/Zemelapio_studija-galutine_ataskaita.pdf

situation in the labour market, as well as allows better matching and forecasting of skills supply and demand. In the future, the QM is expected to include data from the LLE, Residents' Register, Register of Diplomas and Certificates, and other sources.

As regards the adequacy of the qualifications map to assess the labour market needs and/or skills needs, it is important to note many advantages of this tool, i.e. reliability of the data that are based on the realistic employability of graduates and better grounds for forecasting the trends of dynamics of employability indicators in the country based on long-term data used in the QM analysis. In addition, employability results are presented broken by many different factors that are fully comparable and combinable into one forecasting system.

It should be noted, however, that the effectiveness of the qualifications map for the assessment of the labour market needs and/or skills needs cannot as yet be fully evaluated due to the novelty of the tool (introduced in 2014) which is still at the preliminary stage of implementation. Implementation of the QM to its full potential is expected to allow:

- Measuring of the realistic need for skills;
- Assessing the efficiency of the education system;
- Determination of balance between skills of Lithuanian residents and labour market needs;
- Identification of problems specific to different regions, economic sectors, education areas or institutions.

While forecasting the supply of and demand for labour force/skills, it is important to assess not only factors relating to economic growth or development, but also such economic and demographic factors as population migration, the decline in the number of working-age population, migration across sectors or professions, etc.

2.2 Transmission and use of information

The above mentioned forecasting tools in Lithuania are publicly available for all residents of the country. LLE forecasts are published on the LLE's web site and QM is available on the MOSTA's web site.

Introduced in 1995, LLE forecasts are quite widely used by policy makers for more efficient matching of labour supply and demand, and fo helping job-seekers to plan their career more effectively. The LLE forecasts are presented during the sittings of the Tripartite Council to the LLE and ministerial events. In addition, there are regular sessions held for employers, students and school graduates (e.g., knowledge and career planning exhibition 'Studies 2015').

QM is a new forecasting tool which is actually still in an experimental stage and subject to further improvements. It is intended for better quality of communication among all stakeholders, including pupils, students, higher education institutions, employers, and decision makers. It is expected to contribute to more efficient planning of education policy and investments into education. Higher education institutions will have a better understanding of the labour market needs and be able to improve their study programmes accordingly; employers will receive information about available professionals; pupils and students will be informed on the graduates' situation in the labour market. The analysis carried out on a regular basis is expected to provide a detailed picture and be accessible by everyone.

3 Steering the education and training provision

3.1 Policies and programmes

<u>Policies/strategies to adapt HE/VET to the labour market needs</u>. The main measure designed to adapt HE/VET to the labour market needs is the inclusion of employers and associated business entities into the development of training/study programmes, programme implementation and assessment of graduates' competences.

Novelties in the formation of VET contents have been implemented in Lithuania since 2010, including the development of professional standards and upgrades to VET programmes by converting them into modular programmes. In order to upgrade VET contents, a large-scale national project has been launched for the development of *qualifications and creation of a modular vocational training system* (2010-15). The main project deliverables are 10 professional standards and 60 modular vocational training programmes.

Professional standards are drawn up for certain economic sectors by describing the most important sector-specific qualification levels. Development of the standards involves qualitative research (analysis of the sector's field of research, analysis of documents, company-level analysis of professional activities). The professional standards will be used to design VET contents and to assess whether person's learning outcomes satisfy the requirements set for a certain qualification. Modular programmes are composed of independent compulsory and optional modules. Making a list of standards and programmes to be developed was preceded by the analysis of economic development indicators, education sector data (e.g. supply of graduates, available indicators of their employability), consultations with associated business entities (sectoral organisations, central and sectoral professional committees; for more details see Chapter 5). Employers or associated business entities are also involved in the development of standards and modules. Final versions of the standards and programmes are subject to approval by sectoral professional committees.

In Lithuania, improvement of the quality of study programmes in the HE sector and their adaptation to the labour market needs is pursued by drawing up descriptions of the fields of studies. These fundamental documents are used by higher education institutions as a basis for new programmes in certain fields of studies or programme upgrades. 50 descriptions of study fields have been developed within the framework of project 'Development of the system of regulatory descriptions of study fields'. Working groups for drawing up the descriptions include employers' representatives. Description drafts are submitted for employers' assessment and public discussions. The descriptions are prepared under coordination of a standing steering group having amongst its members 2 representatives delegated by employers, business or professional associations.

Speaking about the match between the supply of education and the labour market needs, it is also important to mention the upgrade of practical training base. For example, investments in the VET sector during this period of EU structural support included allocations to 41 sectoral practical training centres equipped with the latest technologies. Development of practical skills in the practical training centre of a sector is intended to ensure the quality of graduates' practical skills, their knowledge of new technologies required by employers, and faster adaptation of graduates in real jobs. Investments in the HE sector included investments in the creation of studies infrastructure for science-intensive economic sub-sectors, R&D development base, etc.

The development of quality assurance mechanisms both for VET and HE has recently attracted great attention. VET and HE institutions received funding for the

implementation of internal quality management systems. Assessment of the quality of implementation of vocational education and training programmes was followed by the development of recommendations for improvement of the quality of vocational education and training at national, education sub-area and local levels. A model of external assessment of the quality of vocational education and training is anticipated in 2015. The higher education sector has external activity assessment in place, along with the assessment of intended and existing study programmes. Such assessments are carried out with the participation of employers' representatives and foreign experts. The assessments serve as a basis for the accreditation of higher education institutions and study programmes.

<u>Measures to increase/reduce the supply of specific subjects/courses</u>. Target funds are allocated in the HE sector for professions that are necessary for the state but not popular among entrants. Courses for which target funding is allocated receive a certain, guaranteed number of student 'baskets' (state-funded studies). To receive the target funding, higher education institutions submit applications to the Ministry of Education and Science with a justification of the long-term need for graduates of certain study programmes (courses) in a particular national economy sector and arguments for exceptional importance of the target funding for the development of the given sector on national or regional level.

The VET sector does not have such an established scheme. Where there is a need for certain skills, state institutions, individual employers, associated business entities may apply to the Ministry of Education and Science for initiation of a new profession and allocation of funds for training programmes. For example, in 2014 funds were allocated for the implementation of new training programme 'Java programmer'. This programme was initiated by Infobalt Association. It is noteworthy that the Ministry of Education and Science has signed 10 cooperation agreements with associated business entities, whereby business representatives have committed themselves, inter alia, to provide information on the need for new training programmes (courses) and skills.

<u>Strengths and gaps</u>. Lithuania has in place certain mechanisms for the inclusion of employers and business associations in the development of training/studies content. However, it is too early to assess the quality and efficiency of those mechanisms due to their novelty (the cycle of content development/assessment/review/update has not yet completed). For example, operations of sectoral professional committees have not been fully balanced yet, the functions and responsibilities have not been clearly defined, and some members of professional committees lack motivation due to insufficient cooperation traditions and funding.

In our opinion, it is very important to ensure regular reviews and updates of programmes/standards, as well as to provide dedicated funding for them. Experience shows that the established plans to review vocational education and training standards every 4-5 years have failed without allocation of dedicated funds.

One of important gaps impeding the adaptation of education to the labour market is the lack of national/regional forecasts of labour market needs. This causes difficulties for VET/HE programme developers in identifying the need for skills/competences in a long-term perspective. (It is quite probable that the problem will disappear with the quality map functioning in full).

3.2 Financial incentives

We have to say, that there is no direct link between VET/HE funding mechanisms and skills forecasting mechanisms in Lithuania.

Funding for formal IVET is allocated from the State budget. Training costs are calculated per student and the unit costs (the so-called 'student's basket') include allocations for staff salaries and social insurance, in-service training of teachers and funding for acquisition of various training resources, including practical training. The latter category is calculated using a coefficient that varies depending on the programme area. Funding is allocated to the VET provider based on the actual number of learners multiplied by the number of hours for implementing the programme and costs of a training hour.

State HE institutions receive funding according to principle "money follows student", i.e. funding is allocated to the programmes that are the most popular among students. A part of the students must pay for their studies. The tuition fee is fixed by the higher education institution based on normative cost of studies annually approved by the minister for education and science. As mentioned, targeted funding may be allocated to those HE qualifications that are needed for Lithuanian economy but receive less attention from students.

We may say that there are no specific incentives from State budget to boost attractiveness and participation in specific courses, except for targeted funding for aforementioned qualifications that are needed in the economy. However there are cases when employers allocate grants for students from specific courses. Employers may use ESF funding for financing their initiatives. The initiatives may vary and for example include promotion of sector occupations, etc.

Both, in VET and HE sectors the key activities to update education and training offer have been funded from ESF. Within the project "Formation of qualifications and development of modular VET system" 10 aforementioned sectoral qualifications standards and 60 modular VET programmes are being designed (project implemented during 2010-15). The coordinator of project is Qualifications and VET Development Centre (KPMPC). (For more information about project (in Lithuanian) see http://www.kpmpc.lt/kpmpc/?page_id=1364).

50 HE study fields descriptors (benchmark statements) were designed within the project "Development of study fields' descriptors regulating system (SKAR-2)". The coordinator of project – Centre for Quality Assessment in Higher Education. (For more information about HE study field descriptors (in Lithuanian) see http://www.skvc.lt/default/lt/kokybes-uztikrinimas/krypciu-aprasai).

Summarising the above we may say, that since the VET/HE funding mechanisms are hardly linked with information about labour market needs and forecasts, it would be beneficial to consider revising funding schemes, e.g. to encourage use of data about graduates employability, to introduce performance based funding and so on.

4 Career and vocational guidance

<u>Career and guidance services</u>. Nationwide career and vocational guidance services for children and young persons in Lithuania are coordinated by the Lithuanian Students' Non-Formal Education Centre. The centre is responsible for methodological assistance to schools and other institutions, is involved in training career guidance staff. It has coordinated a national ESF project (2010-2015) for the development and management of vocational guidance system in general education and VET. The most recent activities of the project were organisation of work tasters in companies (visits to companies, job shadowing) for 60,500 students from general education schools and organisation of open days at students' parents work-places.

The main responsibility for providing guidance services to learners falls on general education schools and VET institutions. They appoint a coordinator who manages

guidance-related activities. For career and vocational guidance, schools organise a variety of activities such as study visits, excursions, meetings with representatives of educational institutions, employers and other people and other events. Vocational activation, during which visits to enterprises are organised, is prioritised. In 2014, a career education programme was approved by the Minister for education and science for implementation in general education and VET institutions starting from September, 2014. The programme aims to help learners develop career management skills.

Local public employment services also provide career and vocational guidance services for job-seekers in addition to employment mediation. They are also engaged in organising career information events, where information about labour market situation, prospective occupation is presented. 10 youth job centres are operating within the structure of public employment services.

When providing career and vocational guidance services mainly the above described LLE information about employment opportunities (Employment barometer) is used.

The main national web portal on learning opportunities is AIKOS. It is an open information, guidance and counselling system for students, employees, employers, guidance and counselling personnel. It provides information on education and training programmes, providers, qualifications as well as on education and employment statistics (vacancies, unemployed persons), descriptions of occupations, provides possibility to make a self-assessment personality tests.

<u>Specific subjects</u>. In Lithuania a generally opinion is expressed that teaching of STEM subjects needs specific approach. A concern is raised that STEM subjects lack popularity among youngsters and as a result, 46.4 % of Lithuanian students in universities are enrolled in social sciences. Education Development Centre is working on designing STEAM training methodology and improving STEAM teachers' qualifications. In 2015 an initiative was launched to establish a network of schools that are effective in STEAM teaching.

To strengthen technological literacy, Lithuanian students in general education schools have a possibility to learn technology subject from the 5th year. The idea is to educate not only a consumer of technologies, but also a creator of technologies, able to solve the problems, search for ideas and technological solutions, design. In upper classes students may choose one of 6 technology fields (textile and clothing; applied art, crafts and design; tourism and nutrition technologies; construction and wood processing; business, management and retail trade; mechanics and repair). The status of technological education has particularly increased since 2010 after having introduced a mature exam of technologies. Similar to technology subject, IT subject is also taught from 5th year of studies.

<u>Initiatives to raise awareness in demanded skills</u>. The Lithuanian Students' Non-Formal Education Centre implemented an ESF funded project aimed at development of young scientists. The project aimed to promote science and technologies among young students, provided youngsters with opportunity to engage into scientific activity. For example, in 2014-2015 a mobile laboratory visited general education schools in different regions of Lithuania. During these visits 8-11th year students carried out scientific research, attended lectures, observed demonstrations of scientific experiments.

5 Stakeholders in steering education and training provisions

On the national level the Vocational Education and Training Council has been established to advise national education authorities on solving strategic **VET** issues. It consists in equal parts of representatives of State governance (MES, Ministries of Economy and

Social Security and Labour) and municipal institutions and organisations representing employers' and employees' interests. During its regular meetings a number of questions is being addressed, including issues of education and training provision.

Another national level advisory institution is the Central Professional Committee (CPC), established at KPMPC. It coordinates strategic issues pertaining to development of the qualifications system. Its main roles are: to establish priority sectors for the qualifications system; discuss and suggest decisions regarding the qualifications system's structure; advise the KPMPC on ensuring correspondence between qualifications and labour market needs; accredit competence assessment institutions. The committee members are representatives of State and municipality level governance, VET providers, social partners.

The main advisory bodies in designing VET provision are sectoral professional committees (SPC). 17 SPC have been established at KPMPC. Members of SPC represent employers, education and training providers, trade unions, public organisations in specific sector. The main roles of these committees are: to advise the KPMPC on sectoral qualifications and competences needed to acquire them; set priorities for developing qualifications standards; endorse standards and analyse consistency of training programmes with the requirements prescribed in the standards. Thus they are consulted before preparing standards and programmes and they make one of final decision if to endorse standards and programmes.

The expert groups that are designing national level standards and programmes for VET include education and training providers and employers representatives. Lithuanian Confederation of Industrialists and separate sectoral associations of employers are also involved in this process by steering expert groups. Methodical support and overall coordination is responsibility of KPMPC.

There is a limited cooperation on regional level.

On sectoral level, in order to give new impulse for VET-business cooperation, in 2014-2015 the MES has signed collaboration agreements with the associations representing employers from hotels, restaurants, catering, aviation, IT, apparel and textile, engineering and other sectors. As part of the collaboration agreements the associations have undertaken to work closely in solving issues linked to the legal framework of VET, VET provision organisation, career guidance, work-based learning including apprenticeship, and to provide the ministry with information on the demand for specialists and employment possibilities for VET graduates. A regular meetings are organised to steer situation in sectors.

We have to say, that though structured stakeholders cooperation mechanisms are in place at the national and sectoral levels, the impact of such cooperation is difficult to assess. Since there are no significant changes in indicators of participation in VET, we may presume that cooperation is not very effective.

On local level cooperation effectiveness differs from school to school. Employer representatives participate in designing VET programmes according to labour market needs and in organising practical training. They may also participate in the management of VET institutions (being members of school boards) and become their shareholders. Currently, social partners, enterprises and municipal governments participate directly in the management of one fourth of all IVET providers, i.e. those that have the status of self-governing institutions.

In general we have to admit, that cooperation bodies (VET Council, central and professional committees) are legitimated in VET legislation with defined role and

responsibilities. These structures provide a good platform for various stakeholders to express their assessments, views and expectations for VET policies and practice. For example, all major VET legal acts and VET students' enrolment plan have to be agreed with VET Council. CPC and SPC are rather new structures and it will take time for them to fine-tune their operation. Facilitation and coordination of these committees needs to be improved and KPMPC is planning to allocate more financial and human resources to strengthen their activities. The experience so far shows low motivation of some members of SPC to actively contribute to the development of standards and programmes.

As regards cooperation of stakeholders on the local level, change of VET providers' status from state-owned to self-governing institution proved to be effective. Self-governing VET providers seem to be more flexible in managing their resources and cooperation with employers, who act as shareholders, is stronger. The general observation is that due to unstable economic situation, employers very often are concentrated on immediate benefit of their cooperation with education and training sector and do not think about long-term gains from investing their time and finances into education.

The role of SPC and sectoral qualification standards for **HE** sector is questionable. At the moment there is little synergy between sectoral qualification standards and HE study fields descriptors.

In general, cooperation with the social partners and other stakeholders has been constantly pursued in Lithuania within the framework of HE development and efforts to ensure the match between future professionals and labour market needs. Already in 2009 the new version of the Law on Higher Education and Research of the Republic of Lithuania (LHER) provided for a bigger role of the councils of higher education and a greater influence of the stakeholders in the councils (the stakeholders should make up 40 % of the council members). The Law also provided for the obligatory participation of employers' representatives in study committees for the development of new study programmes. In addition, the Law stipulated that a representative of employers/social partners must be included in the commissions for the defence of bachelor's/master's degree theses (employer's representative is often appointed as a chair of the commission).

Article 41 of the LHER obligates higher education institutions (HEI) to publish information about the situation of HEI graduates in the labour market (and thus to maintain regular relationships with the LLE) and to carry out employer interviews about their satisfaction with the available skills.

To initiate a new study programme, Lithuanian HEIs are required to provide information on the need for professionals to be trained in the labour market and their demand forecasts. Likewise, they must provide employers' opinion on these issues.

All HEIs are required to draw up Strategic Plans for their activity development indicating, inter alia, the forms and measures of cooperating with the social partners. For instance, the strategic activity plan of Vilnius University for 2014-16 contains a separate section dedicated to cooperation with the social partners, identifying the development of cooperation with the social partners as a prioritised activity.

Increasing cooperation between HEI and social partners enables employers and other stakeholders to express their opinion directly, influence decision making and have a direct influence on the assessment of students' learning outcomes, hence improving the balance between studies and labour market needs. Participation of the social partners in particular HEI councils and commissions for studies is seen as the most advantageous.

Involvement of the social partners in the drafting of strategic documents (e.g. amendments to laws) at the national level is also worthwhile mentioning. However, their involvement is rather formal at this level.

To sum up, the role of the social partners in HEI management is apparently growing. According to the LHER, HEIs are required to actively cooperate with the social partners on all levels of the implementation of studies. However, the participation of the social partners is not properly ensured in legal and administrative terms. In the future, the Ministry of Education and Science could implement the following measures to enhance the participation of the social partners in HEI management in Lithuania:

- Organise special training to the social partners involved in HEI activities;
- Coordinate their activities, draw up analytical material for them and monitor their opinions;
- Raise social partners' interest in taking part in HEI activities (regulation of their work by labour law, improvement of their remuneration for work, etc.).

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