
THE PUBLIC-PRIVATE PARTNERSHIPS IN THE VOCATIONAL EDUCATION AND TRAINING SYSTEM PARADIGMS: COMPARATIVE ANALYSIS



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Abstract. *The article identifies the factors which influence changes in the public-private partnerships (PPPs) paradigm in the system of vocational and technical education (VET) took place. The study is based on a comparative analysis of the foreign experience of implementing PPPs in the VET system. The reasons for changing the paradigm of the state dictate to the public-private partnerships are clarified, and the sequence of transition to the paradigm of delegating by the state to the private sector not only economic risks but also the authority to comply with public values is determined. The study revealed that the PPPs paradigm in the VET system was formed under the influence of the concept of the New Public Management, which over time transformed into the New Public Governance with an orientation to public values. The main provisions of PPPs paradigms in the VET system comparative analysis showed that changes have taken place in the status of the pupil (student) in the private partners' role and in the state responsibility sphere. The new PPPs paradigm for VET main provisions evolution consequence was changing in: the scope of declared goals, the size of investments, planning horizon, economic efficiency, the number of involved partners, and the distribution of risks between private and public partners. The results of the study confirmed that the presence of a paradigm as a model for posing a problem is mandatory for the social sciences: after all, it narrows the circle of scientific research, provides a research methodology, tools, and determines the practice of scientific knowledge. The comparative analysis showed that the modern paradigm of scientific research, that is, the model for posing a problem and solving it in the VET system, is the introduction of PPPs with a focus on public values.*

Keywords: *comparative analysis; paradigm; public values; public-private partnerships (PPPs); vocational education and training (VET).*

INTRODUCTION, PROBLEM STATEMENT

The course of resistance to the Russian Federation's military aggression puts the issue of Ukraine's economic development in the post-war recovery plane. The government plan of

relevant measures “... takes into account the experience of European countries, and also suggests the use of the European Union principles, approaches, tools, and practices” (Government portal, 2022). In the draft Plan for the Ukraine Recovery, vocational education and training (VET) is considered by the working group “Education and Science” as one of the key areas and public-private partnerships (PPPs) is named here as one of the Key groups of problems (challenges) (The National Council for the Recovery of Ukraine from the Consequences of the War, 2022, p. 2).

A wide range of issues has accumulated in the Ukraine VET system: from improving the management system of vocational education institutions (Radkevych, & Yershova, 2022) to its financial support (Popova, 2022). This requires specifying the problems to be solved and the scope of scientific research.

A systematic approach to solving these issues is implemented through research on the evolution of the PPPs paradigm in VET; formulation of its main provisions and comparison with the old one to achieve scientific unity of problem formulation and integrity of research methodology.

Thus, our research purpose is to investigate the foreign experience and, through a comparative analysis, identify the signs of the modern PPPs paradigm in VET.

LITERATURE REVIEW

Education is a fundamental social good, the basis for citizens ensuring equal rights, and for human capital development. As stated in the Incheon Declaration and the resolution “*Transforming our world: The 2030 Agenda for Sustainable Development*” of the UN General Assembly, education should be available to all citizens throughout life (UN General Assembly Resolution 70/1, 2015, p. 17). For the European Union as a whole and the European Training Foundation (ETF) in particular, human capital is the highest social value. Its development possibility is closely related to the creation of various education systems that provide all citizens throughout their lives with access and incentives to improve their skills, competencies, and knowledge in order to improve employment prospects and realize their potential.

Vocational training differs from other education forms in the direct connection between theory and practice, the employers’ participation in this process, and the possibility of combining learning at school and at the workplace. All this improves opportunities for youth and adults’ future employment.

In the European Agenda for Skills Development, the actor’s cooperation, public and private investments are important factors in supporting affordable up-skilling and re-skilling throughout life for all (Vecchi et al., 2021, p. 3). This program creates a space for a tripartite dialogue, within which social partners and the state cooperate at different levels with the aim of teaching youth and adults relevant and high-quality skills. A VET system that provides key skills and competencies plays a powerful role in this process (UN General Assembly Resolution 70/1, 2015, p. 14, 17). To improve its quality, various forms of cooperation between the public and private sectors are practiced. One of these forms was the PPPs, which in the 21st century also became a powerful factor in economic growth and countries development (Paoletto, 2000).

The PPPs organizational and legal foundations in Ukraine were defined in 2010 (Verkhovna Rada of Ukraine, 2010). The “Concept of the State Targeted Social Program for the Development of Vocational (Vocational and Technical) Education for 2022–2027” (Kabinet Ministeriv Ukrainy, 2021, p. 3) indicates the need to improve PPPs mechanisms. Corresponding complex studies were initiated within the topic framework “Development trends of public-private partnerships in the field of professional (vocational and technical) education” (registration number 0122U000539).

METHODOLOGY

This study's starting point is a comparative analysis of PPPs's scientific paradigms in the VET system. The reasons for choosing such an approach are similar to those that prompted T. Kuhn to introduce the term "paradigm" into the philosophy of science: "I was struck by the number and extent of the overt disagreements between social scientists about the nature of legitimate scientific problems and methods" (Kuhn, 1962, p. viii). The similarity lies in the lack of a clear vision of the problems that PPPs is aimed at solving. The comparative analysis subject is the target instructions for the transition from the paradigm of state hegemony to the PPPs paradigm.

This methodological approach considers the foreign experience of implementing PPPs in education as an asset of world science, and not as instructions for implementation. In our opinion, the process of formulating the PPPs paradigm is important for determining the direction of scientific research, because it: "...for a time provide model problems and solutions to a community of practitioners" (Kuhn, 1962, p. viii).

Such an understanding presupposes the processing of the foreign scientist's assets taking into account the specific features of Ukrainian realities when mastering PPPs in the VET area in Ukraine.

To achieve the goal, a research methods complex was used: analysis of scientific sources on the problem of PPPs implementation in different countries; systematization and identification of the most important factors that formed the PPPs paradigm in education and subsequently led to its transformation.

Comparison is used by us as an interdisciplinary methodological technique.

In this way, for example, the institutional and economic paradoxes of path dependence of Ukraine and Ireland were revealed (Popova & Popov, 2022).

MAIN RESULTS

European specialists in cooperation with Ukrainian statesmen give the following generalization: "Looking at international experience of the use of Public-private partnerships in VET, it can be understood as a mechanism for coordinating action and sharing responsibility between public and private stakeholders in VET, with a view to formulating, designing, financing, managing or sustaining a project of common interest. Such a project could take the form of actions to develop strategies or programmes to implement them. This can be a number of integrated topics such as research, innovation, vocational and higher education, as well as entrepreneurship, investment and business development" (European Training Foundation, 2017, p. 61).

The examples of PPPs implementation in VET given in this document (ETF, 2017, p. 68) contain various coordination mechanisms in projects of different content, different strategies and programs. Such a wide variety of examples indicates that an in-depth analysis of international experience is needed to specify the cited generalization. In order to understand the starting points of the research paradigm, it is necessary to specify its basic orientations (formulate the main provisions) and the level of PPPs implementation in the VET area in Ukraine.

According to the initial design, PPPs in the education system was mainly aimed at covering the budget deficit and transferring financial risks to the private sector to attract its innovative potential. The final assessment of PPPs efficiency was the value-cost ratio.

PPP in its current form was formed in the early 90s of the last century in the United Kingdom of Great Britain within the framework of the concept of New Public Management (NPM)

(Broadbent & Laughlin, 2003). Margaret Thatcher and Ronald Reagan were the ideological inspirations of the concept of NPM, who used their political influence and made a lot of efforts to implement its main provisions. The result of this was a costs reduction for the government, and its actions became more favourable for entrepreneurship development (Osborne & Gaebler, 1992) due to the creation of greater public value (Moore, 1995) with limited resources: “NPM reforms sought to promote high public agency performance” (Ferlie, 2022).

The PPPs was the key mechanism of the NPM, the task of which was to compensate for the deficit of the state budget financial resources, reduce business taxes and reduce the state apparatus. At that time, the state apparatus of most countries of the world was aimed at improving economic development efficiency and national competitiveness. This explains the increasing state interest in private enterprises to use their potential in order to create, finance, and implement special projects in the field of infrastructure.

PPPs in education, compared to other types of economic activity (energy, water supply, transport, even health care), was introduced much later. For the first time, the term “PPPs in education” is found in the World Bank and the Asian Development Bank joint report 2000 (Marshall & Bauer, 2000). In later publications, PPPs is considered a cost-effective policy solution to the access and quality issues that many education systems currently face (Patrinos et al., 2009), and as an alternative form of education provision (Verger, 2012).

But an excessive emphasis solely on economic efficiency always provokes negative social consequences for a society that has suspicions about the transparency, integrity, equality, and even the legality of some services provision. Therefore, at the beginning of the 21st century, this vision underwent a significant evolution under the pressure of the concept of public values, which changed the basic provisions of the PPPs paradigm.

These factors led to the fact that the NPM was gradually reformed into the New Public Governance (NPG), which required systemic changes and reorganization of all its components and key mechanisms. PPPs has also undergone a transformation – its paradigm as a problem statement model, criteria for its selection, theory, means, and standards of solution.

The Concept of NPG laid down the principle of a strategic approach, a clear formulation of future goals and detailed plans for their achievement; the change process had to be based on public values and productive interaction between all interested actors: individual citizens, private companies and non-governmental organizations (Bommert, 2010; Eggers & Singh, 2009). The consequence of this was the increase and spread to the political and social sphere of private sector responsibility.

This led to fundamental changes in the state-private boundaries, and the formation of public values does not depend solely on the state. An increasing number of stakeholders are involved in the design and implementation of local development programs whose functional responsibilities are outside traditional jurisdictions and which operate according to network governance models (Meynhardt, 2009). Pressure from the external environment forced managers to improve the quality of public services and transform the process of their provision: the government is no longer expected to “know everything the best” and what is crucial for achieving positive results. The making important decisions process for the local community takes place through the involvement of a wide range of stakeholders, their productive interaction, and effective feedback when receiving relevant evidence.

Public value in the latest interpretation is defined as something that is valued by society and is useful for the entire public according to various criteria - transparency, fairness, etc. (Bryson et al., 2014). But the concept of “public value” goes beyond the scope of public good in the understanding of economists (Mazzucato, 2018), because the personal interests and the collective aspirations of society for a common goal come to the fore (Moore 1995, Ch2).

The change of the concept of NPM to NPG with an emphasis on the creation of public value led to fundamental changes in the PPPs paradigm. The PPPs paradigm has evolved in terms of state guarantee forms, a fundamentally different use of public-private capital, and the development of state programs to support economic development that compensate for failures of market mechanisms. Public and private finances consolidation began to play the certain stabilization funds role, which will contribute to the investments increase in times of crisis, and in excessively rapid development times, restrain the inflation spiral.

NPG with an emphasis on public value creation primarily pays attention to social results – improving employment opportunities, reducing social inequality, raising the living standard, and reducing poverty. That is, the final evaluation is not only the services provision efficiency but primarily their quality. Financial risks in this case do not play a key role, because such an agreement does not provide profit in the short term. Private partners are committed to shaping the economic and social environment in a way that creates opportunities for development and growth. In this way, they participate in the public values creation.

Under the influence of these changes, the PPPs paradigm in the VET area was also transformed: in the early 90s of the last century, the goal was to eliminate the budget deficit, increase management efficiency and improve the provided services results, which was achieved by attracting innovations, infrastructure, and the competence potential of the private sector, then at the beginning of 2000, with the change in the private sector role, new forms of PPPs appeared, the priority of which is the achievement of social efficiency – employment and social integration of individuals (Osborne, 2010). That is, “When companies face skills shortages and governments lack resources for investment, VET systems may explore the instrument of outcome-oriented PPPs, which in their various forms and types feed into the paradigms not of New Public Management but of New Public Governance, and thus of Public Value Creation” (Vecchi et al., 2021, p. 91).

The private sector, which previously saw its benefit primarily in obtaining short-term financial results, under the terms of the NPG concept, it undertakes, alongside the government, to create such an economic and social environment that provides opportunities for growth and human capital development. Accordingly, new PPPs forms combine greater resources savings and provide higher efficiency for society – employment and social integration (Osborne, 2010).

The new PPPs paradigm in the VET area now focuses not so much on the public spending amount and their distribution fairness for the population, but primarily on the economic and social consequences provided by vocational education and lifelong learning. Cooperation between the government and social partners should be effective at all stages of the life cycle in the process of VET – when developing strategic plans, distributing financial resources, implementing the providing educational services policy, monitoring the education quality, evaluating acquired skills, etc.

Under these conditions, the public sector becomes a catalyst in the human capital development process in the skills and competencies formation that must meet the changing environment and the requirements for ensuring social results: “PPPs are an instrument that public and private partners use to co-design and co-finance endeavours or projects of common interest that are oriented to the formation of skills” (Vecchi et al., 2021, p. 18).

Thus, PPPs in the VET area is a mechanism for actions coordination and responsibility distribution in the interaction process between public and private stakeholders. It is a mechanism for formulating, development, financing, managing and enforcing joint responsibilities. State stakeholders can be state or semi-state organizations, agencies and state-owned enterprises, and private – individual enterprises, their associations and commerce chambers.

For Ukraine, PPPs in the VET system is a relatively new concept, but in practice it already exists as a “social partnership”. It is implemented in the form of regional and inter-sectoral

councils as consultative-advisory and coordinating bodies on the implementation of a unified state policy or stakeholder councils, which are created at the regional level to form a regional order (ETF, 2017). Their activities take different forms: from sponsoring assistance to individual educational institutions and national investment programs (in particular, investments in educational and practical centres) to the industrial practice organization.

Partnerships can be in a specific economic sector at the institution and company level, as well as at the national and sub-national level. Alliances are created between the state (education, employment and economic development) and private business, entrepreneurship and work for the development of VET skills and continuous learning in formal, non-formal and unofficial settings.

That is, the change in the private sector role in the NPG concept caused a change in the PPPs paradigm (O'Flynn, 2007), which resulted in a change in the PPPs paradigm in the VET area. Such a PPPs paradigm in the VET area assumes that in the process of providing professional skills, the meaningful burden private partners financing educational services is transferred to the final result while eliminating potential risks of state policy. It fundamentally changes the relationship between the state and the private sector; the role of the latter rises to the status of a full partner in ensuring public values, and of the state narrows to a regulator and provider of educational services.

A new paradigm adoption is not a old one rejection as a result of a change in worldview and the formation of a different vision of this or that socio-economic phenomenon, but the result the science transition to a higher level. When scientists learn a new paradigm, they accordingly learn theory, tools, and standards: "The decision to reject one paradigm is always simultaneously the decision to accept another and the judgment leading to that decision involves the comparison of both paradigms with nature and with each other" (Kuhn, 1962, p. 77).

Observance by the scientific community of certain limitations defined by the paradigm imposes obligations on the researching procedure certain phenomena or processes: because the model of posing the problem is decisive for its solution and the results perception by society. Thus, the fundamental etymological context of the term "paradigm" consists in observing the inviolability of those starting points of the categorical apparatus on which the certain scientific community opinion should be based (Popov, 2012).

The transition from the old paradigm to the new is not a cumulative process in its essence or an extension the application limits of the old one. It provides grounds for the any industry reconstruction; the evolution of theoretical generalizations that determine views on the research area, goals, methods of solving problems, and the field of paradigm application. The change in the model of posing the problem in the new paradigm of PPPs in the VET area with an orientation to the final results of creating public value led to a change in its characteristic features – the main conditions.

Evolution took place in:

- The pupil (student) status, who becomes central figure and source of innovation in the VET management in the process of providing educational services;
- The private partners roles, who now, alongside the state, creating public value and being responsible for the employment and integration of students into the social environment;
- The state partner responsibility sphere, which focuses on defining the goals that must be achieved from the point of public interests view and values; the quality of providing educational services; price policy with increased control over their compliance in the provision and educational services regulation.

Changes in research methodology, tools, and practice of scientific knowledge were the results the characteristic features evolution of the new PPPs paradigm in VET. This reflected in the declared goals scope; the investments amount; planning horizons; economic efficiency;

the number of involved partners; risk distribution between private and public partners, etc.

Declared goals have been transformed from short-term (focused on earning a return on invested capital and providing appropriate infrastructure) to long-term, which creates opportunities for the human capital growth and development and are related to social results (employment opportunities improvement, reduction of social inequality, living standards improvement, etc.). The consequence of this was an increase in the investment size and the planning horizon, while the emphasis shifted from economic efficiency to social.

The involved partners' number at all levels has increased significantly, due to the need for cross-sectoral support to achieve social impact:

- at the national level: relevant Ministries, departments, state authorities involved in solving socio-economic problems (general level of employment, unemployment, labour migration, the situation on the labour market, etc.);

- at the regional level: employers and employees Federations, commerce chambers, and individual enterprises, with whom the acquiring skills issues and competencies should be coordinated;

- at the local level: educational institutions, trade unions, and local self-government bodies, which must coordinate their curricula, and programs with the addition of various forms of training in the workplace and the system for evaluating acquired qualifications and skills as educational services providers.

Risks between private and public partners, which were previously transferred to the private partner under the contract terms, have been transformed into joint responsibility and the obligation to create conditions for the human capital development.

CONCLUSIONS

A comparative analysis of paradigms revealed changes in the criteria for setting the problem and the model for its solution in the VET area. The study of the VET foreign experience provides grounds for concluding that the focus on achieving purely economic efficiency is not enough, instead, social values gradually took a priority place in the process of PPPs implementation. Taking this experience into account makes it possible to use proven approaches to scientific research and to avoid unpromising directions for the introduction of PPPs in the Ukraine VET area.

It was established that the criteria for the PPPs introduction in VET go beyond the issues of scientists-educators and practitioners. Landmarks should be such scientific achievements that will direct the educational process to the acquisition of competence and expertise necessary to satisfy a multi-level complex of socio-economic interests.

The PPPs paradigm in VET with an orientation to public values covers national, regional, and local levels of governance. The educators' general task is a corresponding change in outlook and approaches to providing professional skills. It is expedient for Ukrainian educators to focus on national values inherent to current realities, which are different from foreign practice.

Prospective research on the PPPs paradigm in VET basis in Ukraine has the following orientations for posing the problems of scientific research:

- 1 – Determination of the transition principles and mechanisms from state monopoly to public-private partnerships in solving economic development issues;

- 2 – Determination of ways to achieve a balance between social values and financial interests;

- 3 – A corresponding change in the criteria for scientific research should take place the VET area: from a state monopoly on the management of the field of education, funding, and educational qualifications to a PPPs with an orientation to social values.

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