
PUBLIC-PRIVATE PARTNERSHIPS IN DUTCH VOCATIONAL EDUCATION AND TRAINING: POLICY APPROACH



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To cite this article:

Dzhurylo, A. (2022). Public-private partnerships in Dutch vocational education and training: policy approach. *Education: Modern Discourses*, 5, 102-109. <https://doi.org/10.37472/2617-3107-2022-5-07>

Abstract. *The paper is devoted to the analyses of policy approach to introduction of public-private partnerships in the Dutch vocational education and training system. The gradual development of public-private partnerships is highlighted in historical retrospect. The policy approaches of the Dutch government for the implementation and development of various forms of public-private partnerships in the field of professional and higher education are determined. The centres of PPPs and peculiarities of their functioning are characterized. It has been found that the government has a crucial role in implementing policies for PPPs statement and development. It was found out that governments should introduce new and innovative governance models to tackle countless implementation issues, partly redefining the relationship between the government and executive actors, and moving from a principal-agent towards network model. It was concluded that PPPs are able to improve skills and knowledge of the workforce while accommodating today's rapid pace of innovation in technology and society (digitalization, growth in self-employment, etc.). It becomes evident that cooperation between public and private partners is increasing in need especially in condition of rapid developments and changes in technology and society.*

Keywords: *public-private partnerships (PPPs); centre of public-private partnerships; vocational education and training; education policy approach; the Netherlands; Ukraine.*

INTRODUCTION, PROBLEM STATEMENT

Education is seen as a key to solving amount of economic and social problems. Good-educated and well-trained labour force with essential skills is one of the most important factors in becoming “future-proof”. To make national education systems more flexible and efficient in order to react quickly upon rapid global changes, it is not enough curriculum review, ICT using or lifelong learning approach. Educational institutions should more actively adapt to the rapid changes and developments on their own, underscoring the need for cooperation with companies and non-governmental organizations. One way of stimulating cooperation between education and companies – which is the focus of this research – is to create public-private partnerships

(PPPs). This approach is becoming increasingly popular. Several initiatives undertaken across Europe and beyond in recent years support this strategy (ETF, 2020).

In order to meet the challenge of ‘doing more with less’ (ETF, 2020 – that is, sustaining economic and social development needs in a context of curtailed budgets – public authorities have been experimenting with several mechanisms, among which are PPP contracts intended to facilitate the leverage of capital and the (potential) innovation capacity of the private sector.

The rationale behind partnering for the implementation of policies and programmes, such as in the case of vocational training, is not necessarily to overcome financial constraints or to increase efficiency. The primary goal of the partnerships is to increase effectiveness, that is, to improve the outcomes derived from the delivery of services. This could be achieved not merely as a result of the superior competence and innovation capacity of the private sector, but, more especially because such partnerships allow institutions and stakeholders with mutual goals to gather together, which would not be possible without such a partnerships agreement.

In the context of PPPs policy, it should also be noted that it may be useful to have a clear understanding of the monetary and non-monetary resources activated by the parties involved, not to mention the risks to be confronted (and their allocation), as well as the measures for monitoring and evaluating the partnerships.

Public-private boundaries have evolved over the last years, and the creation of public value is not the sole responsibility of governments. A growing number of players are involved in the design and execution of local development policies, which very often lie outside traditional jurisdictions and operate according to network governance models, providing a stimulus for the development of various forms of partnerships where collaboration is the main determinant of successful implementation. Forms of collaboration and partnerships are essential to support economic and social development.

In specific domains, such as vocational education and training, programme partnerships offer an effective means of implementing policies, in terms of their goals and features of the sector. In order to leverage PPPs and make them work, it is fundamental that the national governments and public sector understands their new role as a catalyst, and develops competences and skills that are more consistent with a changed environment and the demands for accountability in social outcomes.

LITERATURE REVIEW

The research is based on Ukrainian and Dutch scientific papers on the topic of public-private partnerships. Conducted literature review has shown that changes in Dutch industrial policy “has led to the emergence of more than 160 centres of public-private partnerships in schools that provide upper-secondary vocational education (VET) and higher professional education (HPE) in collaboration with private companies in various sectors of the economy”. The emergence of Katapult in the Netherlands, the title of this community of all 160 centres, has aimed to “innovate and accelerate the mutual exchange between the labour market and schools for vocational and professional training” (Meer, 2020). Analysis of Dutch experience has made known that governments should use collaboration of “educational institutions and businesses in order to improve the education of the labour force and address issues such as the “skills gap”. These partnerships claim to be able to improve the skills and knowledge of the workforce while also accommodating today’s rapid pace of innovation in technology and society, such as digitalization and the growth in self-employment” (Moerman, 2020). In-depth analysis of Katapult Strategy has presented that its greatest benefits is keeping up with innovation and continuously changing job requirements, the government and private sector, which forces to accelerate change and invest in adjusting workforce skills (Katapult, 2019).

The experience of PPP development shows the effectiveness of partnerships relations between the government and the private business in attracting investment resources for the implementation of projects in the field of VET in order to meet the needs of the labour market in qualified specialists (Basył et al., 2020).

Public-private partnerships focusing on the development of professionally important competencies is one of the forms of co-operation in the system of professional (vocational) education in European countries (Radkevych, 2022).

In the process of developing the domestic system of public-private partnership in the field of professional (vocational) education, it is important to take into account the requirements of the European Union to the legislation on public-private partnerships; to update the provisions of the Law of Ukraine “On Professional (Vocational) Education” accordingly; to develop algorithms of practical training of specialists on the basis of public-private partnerships (Voronina-Pryhodii & Kravets, 2022).

At the same time, there is a need to analyse the main trends in the development of the PPP in the field of vocational education and training in the European Union and the implementation of progressive ideas in the domestic practice of partnerships between the government, business and the public in the training of qualified specialists according to the needs of the labour market (Radkevych, 2022).

METHODOLOGY

The methods included the analyses of scientific sources, legislative, regulatory and legal documents, empirical data on the political approach to the public-private partnerships in the field of vocational education and training in the Netherlands to identify the state of the research problem. Theoretical analysis and synthesis, generalization of views on the investigated problem was applied to determine the main political approaches in the development of the public-private partnerships in the field of vocational education and training as well as for the formulation of conclusions.

MAIN RESULTS

In the turbulent times, governments should go about achieving major public policy goals like a better education system, in the face of dramatic technological and social change. Public-private partnerships are increasingly perceived as an innovative approach to provide education for all. PPP arrangements cover a broad range of policy options and follow diverse rationales, some of which are not necessarily novel within education reform agendas. In education, there are open disputes about the key principles and arrangements that PPPs should have. In the case of PPPs, the aim is for schools and companies to set goals and decide on activities jointly, to fund these jointly, implement and evaluate them together, share the risks and continue their partnerships over the longer term (Dzhurylo, 2022).

PPP can be broadly defined as arrangements between public and private actors for the delivery of goods, services and/or facilities. In many different settings, PPPs are increasingly perceived as an innovative policy approach to provide education for all, and especially to provide the most vulnerable population with new educational opportunities. Many governments, international organizations and other key education stakeholders consider that, by partnering with the private sector, countries can expand their education systems in a more efficient, flexible, and effective way (Robertson et al., 2012). Nonetheless, PPPs are demanding, sophisticated, and challenging forms of governance both for private agents and, especially, for governments (Hodge & Greve, 2010). In addition, PPP frameworks might cover a broad

range of policy options and follow diverse rationales, which place PPPs in an ambiguous policy category. According to Klijn (2010), in both academic and practitioner circles, PPPs are a confusing policy approach: it is not clear what PPPs exactly mean, for which reasons countries should adopt them, and what is the best form they should take.

The vocational education and training system in the Netherlands is one of the best in the world according to the OECD (Westerhuis, 2018). This level was achieved thanks to changes in industrial policy, which in turn led to the emergence of more than 160 centres of public-private partnerships in institutions that provide vocational education and training and higher professional education in cooperation with private companies from various sectors of the economy. Dutch government and the private sector have joined forces to accelerate change and make timely changes to professional qualifications to keep pace with innovation and meet the demands of the labour market. As a result, dynamic centres of regional and industry partnerships were created: centres of excellence in the field of HPE and centres for innovative craftsmanship and the Regional Investment Fund (RIF) in the field of VET (ETF, 2020). PPP centres facilitate cooperation between local business, vocational and technical institutions, higher professional educational institutions, and Dutch government. Joint investments by both public and private parties help develop business models that ensure their financial viability. Diversity and autonomy are key characteristics of such centres. Each of them creates its own niche and market value. Thanks to the cooperation of PPP centres with educational institutions, new ideas, methods, and educational programs become available to a wider audience of educational service recipients. The main task of PPP centres is to build strong ties between institutions of VET and HPE and business; in the training of professionals in their field, masters with innovative skills; in ensuring lifelong learning and timely retraining; in accelerating and improving the ability of companies to innovate.

PPP in upper-secondary vocational and higher professional education has deep historical background in the Netherlands. Both parts of the educational system are founded on cooperative forms and networks that originated in the guild structure of the mediaeval period. In 1919, the Craft Education Act set out the first dimensions of partnerships in the modern era. Since the World War II, VET and HPE have become well established within two separate systems: a system of upper-secondary professional level education (VET), established under the WEB Act of 1996, and a system of higher professional education (HPE), founded under the WHO Act of 1986. In the legislative process associated with the most recent reforms, schools received substantial autonomy. Since then, a process of scale enlargement has led to the merging and rationalization of schools. In addition, article 23 of the Dutch constitution guarantees freedom of education independent of the government, making VET colleges and HPE universities autonomous organizations. This also applies to private companies and private education (ETF, 2020). In Dutch secondary VET, representatives of business and labour traditionally play a role in the definition of qualifications and access to workplace learning. Social partners (employers' associations and trade unions) work together with VET colleges to describe qualifications and set examination criteria. They are also jointly responsible for the recognition and quality assurance of 230 000 companies where apprentices fulfil their obligations to complete on-the-job learning. As a result, the upper-secondary VET system guarantees an institutional position for private-sector representatives of the labour market. This stands in contrast to higher professional education, where the linkages are less deep-seated and not regulated by law. The curriculum for HPE is not defined by a qualifications structure determined jointly with companies. Instead, it is assessed by the government. The activities of PPP centres began in 2010 with several pilot projects that were based on existing initiatives and networks. However, the legislative basis for the operation of such centres became possible thanks to the creation in 2004 of the Scientific and Technological Platform (*in Dutch Platform*

Bèta Techniek), which was created on the initiative of three ministries of the Netherlands (Economy, Social Affairs and Education). Since then, several recruitment campaigns and programs for innovative cooperation between companies and educational institutions have been launched and new types of educational programs have spread and expanded to promote technical and technological education of all types and at all levels (Dzhurylo, 2022).

Nowadays, there are 160 PPP centres, which fully operate across the country, involving over 9 800 companies, 5 000 teachers and 84 000 students. An average PPP centre involves 35 companies and other organizations. Participation is open to all companies that are willing to make the investment. The centres are also allowed to provide paid services to the private sector. Diversity and autonomy are key characteristics of the centres approach. The idea is for each centre to create its own market niche and value. To establish a PPP centre a business plan needs to be drafted with a series of conditions (ETF, 2020):

- Partners must define a joint ambition and the urgency to establish a new physical learning environment.
- At least 50% of the budget must come from the partners and 50% of that amount must come from participating businesses.
- Operational and financial aspects are the joint responsibility of the VET colleges or HPE universities of applied sciences on one hand and their private partners on the other hand, but the secretariat of the partnerships must remain with the schools.
- The PPP centres must continue to follow the formal state-supported requirements for their respective levels of education.
- The business plan must include a long-term financial sustainability plan, and each centre must become financially independent within five years.

Between 2011 and 2016 Dutch government launched three experiments in order to take the issues of PPP. They focused on establishing regional PPP involving vocational education colleges and companies. The distinguishing features of all three experiments were:

1. The government provided a substantial financial incentive for achieving long-term cooperation between the schools and the companies.
2. The schools and companies were given a great deal of freedom to choose the goals of their partnerships and the activities that they would engage in. There were few rules, procedures, or targets, other than that the partners needed to cooperate and contribute financially.
3. There was a great deal of emphasis on learning, experimenting and developing, with new approaches being tried out in each experiment, such as learning programs, peer reviews and “critical friends” (Dzhurylo, 2022).

Since the launch of the Centres in 2011, several policy reports on competitiveness and innovation have pointed in roughly the same direction. The most authoritative report stems from the report towards a learning economy. The report argues that knowledge circulation between institutions is crucial in order to maintain economic competitiveness and prosperity in the Netherlands. It also offers far reaching recommendations for educational institutions: “Universities of Applied Science have, to date, been seen too much as regular schools. They need to become knowledge institutions and to find a new balance between the transfer of knowledge and contributing to solutions for societal problems” (WRR, 2013). Following the report, several other government advisory boards (Advisory Board for Science, Technology and the Rathenau Institute) also addressed the subject.

Dutch centres of PPP are a part of Katapult, a flagship programme to have been mentioned in literature review. Katapult is a national network, which supports various PPPs in the HE and vocational training sectors. It was launched by the Dutch National STEM Platform (PTvT), the organisation implementing the National Technology Pact (previously the Dutch National STEM Strategy). Katapult’s aim is to improve cooperation between the two sectors and bridge

the gap between the skills students develop in VET schools and universities, and the skills the labour market needs with more than 450 partnerships between education and business and the number is continuously growing.

Katapult impact report 2021 (Wearekatapult, n.d.) has shown a growing number of companies and schools are finding each other in an intensive co-creation of vocational education and professional practice. Outside the national borders things are also going better: more Dutch VET schools and universities of applied sciences and intermediate vocational education institutions are joining international networks. PPP is becoming more sustainable and several of them are expanding or have ambitions to do so. The Katapult formula is a success in vocational education and offers more than enough room for growth.

Previous impact measurements have already shown that PPPs are active in the major social themes, such as transitions in energy and care, digitisation and inclusiveness in the workplace. The impact measurement 2021 also shows that the ICT/digitisation theme is a focal point within the Katapult network and is often combined with other disciplines. The most common application areas are the high-tech sector (Smart Industry), education, care & welfare (Smart Health) and construction (Smart Building). In addition, the prominent role of PPPs for the social challenge ‘security’ is apparent: many PPPs are working on digital security themes such as ‘cyber security’. Finally, the growing focus on care & welfare in secondary vocational education (MBO) and higher vocational education (HBO) and the growing importance of Life Sciences & Health in HBO is striking (Wearekatapult, n.d.).

Further development means that more underlying connections are made between disciplines, sectors and educational levels. These connections are desperately needed to find answers and solutions for the social challenges and transitions. Fortunately, more and more PPPs are recognising the importance of these connections. They are expanding their repertoire to work in a more multidisciplinary, multi sectorial and multilevel manner at more educational levels in order to achieve results. The steps are being taken, and the potential for further joining forces in the network is great.

In general, the role of vocational and, especially, higher professional education is the subject of increasing debate regarding competitiveness and innovation. It was recommended that the government should “emphasize the Centres of Expertise as a platform for promoting cooperation between universities of applied sciences, other public institutes of knowledge and SMEs”. In 2019, in its evaluation of the ‘Top Sector’ program in the Netherlands, which is designed to promote competitiveness and innovation, the Rathenau Institute recommended that in order to solve major challenges such as the energy transition, Centres of Expertise and similar initiatives should be encouraged, rather than using fiscal instruments to encourage innovation as is currently the case. Under the new innovation policy of the Ministry of Economic Affairs, known as Multi-Year Mission-Driven Innovation Programs (MMIPs), there is more focus on the participation of vocational and higher education in these innovation programs (Moerman, 2020).

The role of the government in implementing policies is crucial. Governments have introduced new and innovative governance models to tackle countless implementation issues, partly redefining the relationship between the government and executive actors, and moving from principal-agent models towards network models (Moerman, 2020).

CONCLUSIONS

The Dutch experience in PPP has shown that a national government is able to promote partnerships between education and business in order to improve education of the labour force. This kind of partnerships can improve skills and knowledge of the workforce while

also accommodating today's rapid pace of innovation in technology and society, such as digitalization and the growth in self-employment. Cooperation between public and private partners is increasing in need especially in condition of rapid developments and changes in technology and society.

Introduction of PPP in the sphere of VET in EU countries enabled governments to ensure the modernization of educational infrastructure, access to high-tech equipment, machinery, innovative production technologies, etc. Implementation of PPP projects depended on full or partial state funding, as well as the use of private capital to achieve the educational goals of the public sector. However, state funding did not bear significant costs in PPP projects. It enabled the public sector to simultaneously participate in many infrastructure projects or solve important social problems. The other advantage of participation in PPP projects in VET is quick and effective decision-making as well as the ability to implement of innovations. The strengths of state partners include responsibility and political authority, ability to negotiate and provide financial and economic preferences to private companies. The result of combining public and private resources contribute to implementation of effective business decisions in modernization of equipment and facilities base of educational institutions, reducing the time for making decisions aimed at ensuring the quality of vocational education and training (Radkevych, 2022).

The experience of PPP development in education not only in the Netherlands, but also in the EU countries in general is significant for Ukraine in the context of the study of European legislation regarding the implementation of partnerships between VET institutions and business entities. Due to the fact that in Ukraine there is no regulatory and legal framework that would regulate PPP in education, especially in VET, it is often difficult for educational institutions to institutionalize partnerships due to long bureaucratic procedures.

The advantages of PPP are obvious, the education system gets the opportunity to modernize the educational infrastructure; form a quality assurance system; promotion of the development of professional skills and employment of graduates; introduction of new scientific and technical innovations. Private companies, as stakeholders, can participate in the review and improvement of training programs; influence the educational process with the aim of obtaining a specialist with the knowledge, capacities and skills necessary for the enterprise; receive a qualified graduate who has already completed an internship at the relevant enterprise, therefore possesses a necessary set of qualities to start effective professional career.

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