

Keynote Address of Dr. Mee Young Choi
(Head of the Education Unit, UNESCO Office, Jakarta)
on the Occasion of the
“International Conference on the Alignment of Education and the Job Market”
(Bogor, 18 November 2014) on the theme
“Preparing Competent Graduates in Facing Global Challenges”

Honorable Mr. Muslikh, SH, Director for the Management of Courses and Training, Director-General of Early Childhood, Non-formal and Informal Education, Ministry of Education and Culture,

Respectable Dr. Ir. Taufik Hanafi, MUP., Expert Staff of the Ministry of Education and Culture on Social and
Economic aspects of Education,

Ladies and Gentlemen from Echelon I and 2 within the Ministry of Education and Culture,

Distinguished International and National Experts and Representatives,

It is a great honor for me to attend this important Conference, and deliver this keynote address. I would like congratulate the Directorate-General of Early Childhood, Non-formal and Informal Education for successfully convening this memorable event.

We would like to applaud Indonesia for the strong steps it has taken to address the issue of unemployed school graduates through development of the Education and Job Market Alignment Programme, which is a National-across-Ministries programme and is one of the priorities of the 2009-2014 Indonesian Cabinet.

Although access to education has greatly improved, many people who have acquired education are still unemployed. This happens due to two main reasons.

First, there is skills mismatches caused by irrelevant quality of education that do not provide the required skills for employability.

Second, there is a lack of employment opportunities due to unfavorable economic climate discouraging creation of quality jobs that would interest and engage people who have acquired education. In addition, in the face of lack of employment opportunities, people lack entrepreneurial skills needed to be able to create their own jobs.

Skills for work that are appropriate are increasingly needed in light of globalization that continues to enhance the quality of knowledge and skills expected by employers due to technological advancements and migration trends caused by regional and global competitions.

There is a significant mismatch between supply and demand for skills, caused by weak links between the learning outcomes acquired from education, and the skills required in labor

market. Due to **skills mismatches**, people who have acquired education, still lack the qualifications needed for employment.

In this regard, **to be able to become more effective in reducing skills mismatches**, education institutions need to improve the relevance of the education provided with the needs of the job market by undertaking the following approaches:

First, by optimizing the capacities that people can bring to the labour market, which requires good **transferable skills**, aside from occupation-specific skills or specialist skills. People need to be equipped with transferable skills that would equip them not only with the skills, but also the attitudes, motivation and readiness that employers demand. The transferable skills needed are notably abilities on: learning how to learn, to think critically, to communicate effectively, ICT proficiency, to be more creative and innovative, to adapt and assimilate to work demands and environments, and to solve problems independently. Over time, education institutions need to closely monitor changing transferable skills required by the labor market, which need to be precisely defined. Whether the transferable skills required by the labor market are taught or not, and if they are – how effectively taught are they – need to be assessed and measured by education institutions in the curricula, teaching-learning materials, and teaching-learning processes.

Second, by **strengthening linkages and partnerships between education institutions and employers**. Education institutions need to strengthen linkages and partnerships with employers based on a win-win arrangement. Building a workable link and match system between education and training providers and the job market is a multi-sectoral task involving the Ministry of Education and Culture; the Ministry of Labor; and local, national and international employers from private and non-private sectors. Through intensive dialogues - concrete policy needs, areas of cooperation, and the roles of each stakeholder need to be clearly defined. At the field level, representatives of employers and schools, with the government acting as the mediator, need to establish good communication mechanisms to build mutually benefitting partnerships. Without capacity to establish linkages and partnerships, education institutions would be unable to accurately understand the needs of employers, expand their programmes to incorporate elements known to increase employability, promote work opportunities for their students, and improve the quality and relevance of their education programmes. To establish a win-win situation, incentives need to be introduced to boost employer's involvement and engagement.

Third, skills mismatches need to be reduced by developing **School-to-Work Transition Information Bases**. Successful integration of educated people into the labor market requires a good analysis of the supply and demand for skills. Development of school-to-work transition information bases aims to collect and provide information related to the skills needed by employers, the labor market situation, and who can provide the needed capacities and skills. School-to-work transition information bases seek to improve the relevance of the education provided, and ultimately, the employability of school/university graduates. Updated labor market analysis and skills forecasts are crucial so that educational institutions could become

more responsive to the needs of enterprises, and be forward-looking. A strong partnership needs to be forged between the Ministry of Education and Culture, and the Ministry of Labor to work together to develop a comprehensive and long-term national strategy for the development of school-to-work transition information bases. School-to-work transition information bases need to be continuously updated over time to capture the dynamics in the changing demands for labor and skills – as a result of economic, technological and social changes.

Employers need to be encouraged to complete employer surveys on a regular basis to gather comprehensive data on the type of skills demanded, the number of available jobs for each skill set, and labor turnover. Employers engaged need to include small and medium sized enterprises, as well as informal sector employers. Tracer studies need to be conducted regularly by education institutions to track work performance of their graduates. The Government needs to support the financial resources needed to provide skilled human resources to implement the employer surveys and tracer studies, and produce reliable long-term series data. Appropriate training needs to be given to national policy implementation practitioners, as well as those at the provincial, district/city and school levels. A concrete policy intervention needs to be developed to guide how to implement the employer survey and tracer study, and how to utilize the results.

It is hoped that findings from analyzing employer surveys and tracer studies using the school-to-work transition information bases could assist the Ministry of Education and Culture in evaluating the overall effectiveness of the education system in terms of how successful school graduates are in entering the labor market from the education system. The findings would inform whether the Ministry of Education would need to undertake any reforms in the education system and policies. In addition, it is hoped that findings from using the school-to-work transition information bases could be used to assist education institutions in identifying the areas in which improvement is needed to ensure that the quality of education they provide is up-to-date and relevant, and adjust their education programmes accordingly. These findings need to be posted on public websites that would benefit education institutions.

And finally, skills mismatch need to be reduced by raising awareness of students and other job seekers on labor market needs through **career guidance**. Students usually lack information about the labor market on which to base their career decisions. Education institutions need to engage employers to regularly provide career guidance in their schools/universities to help students in making suitable career choices.

It is hoped that during this conference we could critically assess and evaluate the interventions we have already conducted to better align the education provided with the needs of the job market. Reflecting on the findings from the evaluation, let us discuss further joint actions we could do to more effectively equip people with stronger opportunities to acquire decent employment. As one of UNESCO's vision of education for beyond 2015, UNESCO will continue to assist the country in increasing the number of youth and adults with the relevant skills needed for employment.

We wish you an enlightning and useful conference. Thank you very much for your patience in listening to me. Terima kasih.