

Switzerland: Institutionalised innovation



About the research

This case study is lifted from a global research project by the RSA and WorldSkills UK. The project identified innovative skills systems across the world and sought to identify key lessons and insights for the UK. The role and potential of skills competitions was a key area of focus.

Lessons for the UK

- **VET status and quality can be mutually reinforcing and skills competitions play an important role.** VET is highly regarded in Switzerland because it is actively championed by policy-makers, businesses, and social partners; also because it responds directly to labour market needs, generating a high level of esteem and status. Skills competitions help to strengthen this status, ensuring the brand of vocational education is regarded as ‘elite’; talent is identified and nurtured; and learners develop strong professional identities.
- **Permeability and lifelong learning:** Switzerland provides lessons on how vocational training and upskilling can enable citizens to constantly update their skills. The Swiss system has a high degree of permeability, allowing learners and workers to flexibly progress and switch between different pathways. It also has a high-quality professional education and training sector, which employers invest into, that ensures workers are able to benefit from opportunities to progress and respond to economic change through flexible, individualised training that is responsive to labour market need.
- **Effective career support and advice:** Career guidance is an integral part of the Swiss system. It is deeply embedded into children’s compulsory education, and each canton has a career centre staffed by highly trained advisers that understand the local labour market. There is also much the UK can learn from Switzerland’s ‘case management’ model, where people most at risk of social exclusion are provided with multi-agency support to ensure they have the conditions and support to re-engage with education and skills.
- **Business leadership through open and collaborative governance.** Switzerland shows the importance of collaborative governance, where the role of employers is rooted in a shared social mission with clear business and societal benefits. It is for this reason that businesses are happy to invest so significantly in vocational education. Getting the governance right is critical.



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Skills-driven economic development with VET at its heart

Until a century and a half ago, Switzerland was a poor country. It had few comparative advantages and no natural resources that it could mobilise. As a result, as it industrialised it chose a path to economic development that continues to define the country. This included a relentless focus on improving human capital and investing in high-value economic activity that was oriented to the global economy. Ensuring international competitiveness and innovation became critical to its export-based economy; and vocational education would be a central pillar of this.¹

The story of Switzerland's ascendancy and continued economic success is therefore not one that is simply explained by top-down planning and stability, but rather a capacity to innovate and respond strategically to moments of significant change or crisis. The VET system, and its modernisation and capacity for innovative change and adaptability, has been at the forefront of this. For their part, skills competitions have helped to maintain the status of a world-leading VET system, even as other countries have faced challenges from a shift in societal preferences towards general education.

The foundations of Swiss VET success and the contribution of skills competitions

Switzerland has among the lowest levels of youth unemployment in the world. It consistently ranks towards the top of the global rankings of innovation, economic competitiveness, human capital development and economic inclusion.² Its TVET system plays a major role not only in preparing people to enter into and progress through the labour market, but also in aligning this human capital to processes of economic innovation. Our review of evidence and interviews indicate three key foundations of its success, with skills competitions playing an important role in helping to maintain and elevate the high status and quality of the TVET system.

Business leadership is exercised through stable, open and collaborative governance that is anchored in a shared social mission. TVET in Switzerland is employer-led in the sense that it responds to employer and economic demand: businesses, acting collectively through powerful industry associations, co-design and co-invest in TVET. Employers have real 'skin in the game': they provide the majority of TVET funding and see a net economic return for their investment.³ But they are also part of a governance infrastructure, enshrined in a legislative framework with clearly articulated roles, that includes federal agencies, social partners including unions, and the cantons (local authorities).

¹ Hoffman, N., and Schwartz., R. (2015) *Gold Standard: The Swiss Vocational Education and Training System*. [pdf] Washington, DC.: National Center on Education and the Economy. Available at: ncee.org/wp-content/uploads/2018/09/SWISSVETSep2018web.pdf

² For example, World Economic Forum's Inclusive Development Index and Human Capital Index.

³ Wolter, S C., and Joho, Eva. (2018) *Apprenticeship training in England- a cost-effective model for firms?* [pdf] Bertelsmann Stiftung. Available at: www.bertelsmann-stiftung.de/fileadmin/files/BSt/Publikationen/GrauePublikationen/LL_cost_benefit_study_England.pdf

This is captured in a phrase that is commonly used by stakeholders in Switzerland: ‘One mission, three partners.’ Central government provides strategic management; industry associations and professional organisations develop training content, define occupational standards and provide apprenticeships; and the country’s 26 cantons ensure the system is locally responsive. The latter is important to note: the principle of subsidiarity is embedded within TVET governance, so that while national standards exist, localities are encouraged to be innovative in their implementation. It should be noted that cantons have considerable autonomy over major areas of policy in Switzerland. The social partnership ethos also extends to the development of skills policy, which is supported by a series of ‘Commissions’ that bring together social partners.

There is a relentless focus on ensuring that learners and workers don’t hit ‘dead ends’ at any point of their learning and working lives. There are three key aspects of this: permeability; lifelong learning and re-training; and highly effective and professional career advice, guidance and support.

It is relatively straightforward for learners to pursue further training and education, and switch between vocational and professional pathways, as well as between general and vocational education. As such, there are multiple pathways between different parts of the system, giving learners a range of progression and reskilling routes that they can pursue flexibly through the course of their lives.

There is a high degree of mobility and very few restrictions on people upgrading or updating their skills, or indeed switching between professional pathways. A strapline of VET Plus, an initiative to promote vocational education, captures this succinctly: ‘Train to be [a] hairdresser, become a biologist.’ High quality professional and continuing education ensures that there are opportunities for workers to upskill and retrain; professional education and training (PET) in particular is a key part of the Swiss system.

Careers advice and guidance—which begins in compulsory education and is then offered at local career centres by counsellors trained in understanding the skills system—helps people to make the right choices. For those that are struggling, there is extensive support including tutoring, bridging courses and, perhaps most innovatively, a ‘case management’ system that uses a caseworker model to offer holistic support from a broad range of public services to help those most at risk reintegrate into learning and work.

“What we avoid like the plague is to have dead ends in the system.”

— **Senior officer of the State Secretariat for Education, Research and Innovation**

VET status and quality are mutually reinforcing, and skills competitions play an important role. In Switzerland vocational education is regarded as highly as general education, with two thirds of people choosing vocational education.

There are a number of important reasons for this. Firstly, VET is considered a central priority by decision makers and industry leaders, and it receives significant public and private investment. Secondly, it is highly integrated with labour market needs and economic strategies, which ensures that the skills that learners develop and the qualifications they gain are economically valuable. The 'dual system' apprenticeship model, which combines work-based and classroom learning, is at the heart of this. Unlike many other countries, VET is not merely a social policy instrument for 'second chance' provision to those that are most excluded: it is a mainstream offer that balances social integration with an ability to attract and develop talent, including skilled workers at the forefront of the economy. Participation in VET also confers status and esteem. For example, apprentices not only develop the skills they need for work, but also their identities as professionals and citizens. This is built into the pedagogy of vocational education in the country.

It is here that skills competitions — SwissSkills, EuroSkills and WorldSkills — play an especially important role. They do so in three key ways. Firstly, they are used actively to build the brand and status of VET, reinforcing it as a high quality, world-leading route for learners to take and employers to benefit from. Participants and trainers in the competitions also act as "ambassadors" for their trade, helping to strengthen the connection between VET and the world of work. Secondly, the competitions help to identify, nurture and showcase the talent that exists within VET, reinforcing the status of Switzerland as a leading global economy with exceptional professionals. Indeed, a key benefit of the competitions is that they help to create a sense of "professional identity" among those that are connected. Thirdly, they are used as a sophisticated "marketing tool" to nudge people into directions that serve the current and future needs of the economy and reinforce it as at the heart of economic development. The exceptional performance of Switzerland in international skills competitions — it has consistently excelled in WorldSkills since joining in 1953 — suggests that its approach has been especially effective in no small part because competitions are well integrated into the overall infrastructure of skills and economic development in the country, rather than being seen as an 'add on'.

"In Switzerland as in other countries University tends to be seen as 'elite'. Skills competitions help us to flip that, with VET seen as 'elite'."

— **WorldSkills and SwissSkills leader**

"Skills competitions also help us to showcase our talent. In a sense, WorldSkills is a labour market for international companies to search for the best professionals in a particular trade."

— **WorldSkills and SwissSkills leader**

"In Switzerland apprenticeships are not social programmes — they are connected to the labour market."

— **CEO of a Swiss Industry Association**

Institutionalised innovation: How VET thrives in Switzerland

A key factor in the resilience and adaptability of Switzerland's economy and skills system is the country's institutional capacity to respond to technological and economic change and crises through innovation and collaboration. According to Dr Ursula Renold, the system evolved very well in the second half of the 20th century, with two thirds of young people choosing the vocational route and a close proximity to labour market needs ensuring the quality and value of apprenticeships. However, one major challenge was that the VET system was essentially limited to the trade sector.

By the middle of the 1990s a crisis had hit the system as a result of the apprenticeship market 'crashing', with the supply of apprenticeships failing to match demand. This was part of a wider economic recession that impacted the country through the '90s. The response of key institutional actors in Switzerland — brought together through a coordinated social partnership approach — proved pivotal. They undertook a major analysis that identified that one of the primary causes of the crisis was that the education and skills system had become too siloed and lacked permeability. This meant that, in an age of globalisation and technological change, the pathways available to Swiss learners and workers risked becoming too narrow and rigid, with limited potential to upgrade or adapt their skills and educational and professional pathways. Decision makers became concerned about the risk of 'dead end education'.

In response to these challenges "the biggest innovation" in the VET system's history, notes Dr Renold, "came in the middle of the 1990s, where we invented first the Federal Vocational Baccalaureate (FVB) and then the Universities of Applied Sciences (UAS)." UAS are technically oriented tertiary institutions, and are accessed mostly by those that have completed an apprenticeship at 'upper-secondary level'. The FVB acts as the bridge for these learners into tertiary education at a UAS. This was followed up by constitutional changes in 1999 that determined that all occupations should be under the same umbrella law for VET to ensure national standards and consistency.

This had important implications for health care, social care and the arts in particular, which until then were outside of the system. The Federal Vocational and Professional Education and Training Act put this into force in 2004.

These innovations had two major implications. Firstly, they built permeability more firmly into the system, creating effective and publicly understood pathways for upgrading and upskilling. Secondly, they extended the VET system beyond the trades and into areas including health care, social care and other occupations that hitherto had not been included. This strengthened the link between VET and the economy. Dr Renold notes that the outcomes have been significant in terms of social mobility. "Between 2000-2012, our attainment rate in vocational education increased from 64 to 71 percent." Importantly, the crisis in apprenticeships had also been addressed.

"The Swiss system has high sustainability and stability, but it is also adaptive... The skills system changes slowly, but all the time... It may be complex in its design but when you live in the system it's not complex."

— **Senior skills professional**



CASE STUDY SUMMARY

Switzerland

Switzerland has a highly successful skills system that is closely connected to industry and economic needs. It is a consistent performer — ranking as one of the most innovative, productive and inclusive economies in the world.

Category
Consistent performer

**WEF Human capital
index ranking**
3rd

Population
8.5 million

**WEF Inclusive development
ranking**
4th

Impact stories

- Switzerland ranks among the highest in indices of innovation, productivity and inclusiveness in the world.
- One of the lowest levels of unemployment and youth unemployment (the latter averaging 3.49 percent between 2000-2018) in the world.
- Weathered 2008 recession far better than many other countries.
- Between 2000-2012 attainment rate in vocational education rose from 64 to 71 percent.

Overview of the system

- High quality vocational education. Two thirds of people choose to go the vocational route.
- Compulsory education ends at grade 9. Choice then is to go down a vocational or general education route.
- There is a high degree of permeability between vocational and general education, including University of Applied Sciences.
- Professional Education and Training provides high-quality options for workers to develop their skills.
- Apprenticeships at the heart of the vocational system (dual system). Based on Germanic model, with most time spent at a host company.
- Multiple routes into high quality professional and tertiary education.
- High level of coordination and partnership working: central government provides regulation and strategic management; industry organisations determine occupation standards and content; cantons implement and deliver.
- Majority of funding for VET is covered by employers.

Key strengths and innovation

- Permeability — numerous pathways within skills system and into labour market.
- Career guidance — professional and systemic, locally delivered.
- Case management — high quality preventative support for those that are struggling.
- Long term strategic coordination — local and central government, business and social partners. Maintains stability and helps to 'future proof'.
- Strong industry associations that ensure skills system reflects economic needs and promotes mobility.
- Subsidiarity — national standards but with local flavour.

Approach to skills competitions

- Marketing and branding — ensuring the status of vocational education; framing it as 'elite'.
- Identifying, nurturing and promoting talent.
- Promoting professional identity.
- Skills competitions well integrated into skills system; some trades actively incorporate standards into assessments.