# Developing a labor market information system in Mongolia: Do the TVET institutions benefit from it?

#### Presentation for CASIE 2016

Dr. Sukhbaatar Javzan, IFE, Mongolia

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#### Mongolia at a glance

#### A landlocked nation in the East Central Asia

- Population: 3.0 mln (Mongols 95%; Kazakhs 4%)
- Territory: 1.56 mln sq km (19th)
- Climate: continental with four seasons
- Political system: parliamentary republic
- Major economic sectors: mining, livestock
- GDP (PPP): \$ 15.2 Bln (2012) and \$ 5,371 per capita
- HDI (2013): 0.675 (medium, 108th)





### TVET sector in Mongolia in 1990s and 2000s

- VET was not corresponding to the demands of labour market
- ► The capacity of this system was weak, training equipment was limited and outdated
- Demand-driven training were largely absent
- Credentialing systems were substandard

#### As a result:

- Mongolia imported skilled workers from other markets /China
- There was a high rate of unemployment among unskilled Mongolians, especially youth

### Government initiated a large reform of sector with assistance from the USA/MCC

USA provided a grant of \$286 million for several projects:

Railroad/road & clean air

Health

Property right projects in

Peri-urban and Urban

TVET budget \$25mIn later increased to \$50mIn Millennium Challenge Account Mongolia was created to be responsible for the implementation

#### TVET project goals and components

#### Projects goal:

to increase employment and income among unemployed and marginally employed Mongolians through the Vocational Education

#### Project objectives:

- increase the wages of poor by improving their technical skills and productivity to meet labour market demand in key industries
- strengthening the institutional framework by supporting a demand-driven VET system

#### TVET project goals and components

#### Project objectives:

- defining training standards for occupations and developing a modern VET curricula, new instructional materials, equipment
- developing 30 new career preparation tracks
- improving teacher training and professional development
- improving learning environment in selected TVET institutions

#### TVET project goals and components

#### Project components:

- Reforms to TVET Policy and Operational Framework
- Creation of Skills Standards and Competencies System
- Competency-Based Training System
- Labour market information and career guidance system
- Improving learning environment in selected TVET institutions

# Labour market study in support of TVET project

Study was conducted in 2010

- ► Cambridge Education LLC & MEC LLC
- ▶ Within 6 months
- ► Objectives included:
- Determining current and projected labor market demand and supply
- Identifying trends in labor market demand including a trend analysis in wages/salaries
- Identifying skill needs by trade and occupation by means of a pilot gap analysis

Hiding objective was "to show case how to conduct LMS using comprehensive methodologies and instruments"

# Labour market study in support of TVET project

#### Study employed:

- Comprehensive labour market analysis including
- ► International Benchmark Analysis
- ► Inter-regional Benchmark Analysis
- ► Barometer Survey (1300 entities) and
- Economic Sector Forecasting Model

# Labour market study in support of TVET project

#### Study findings:

- This study focused on general statistical indicators of demography, employment, economy and education, which were later compared with other international study findings.
- Business cycles, employment migration, employers' expectations, trends, new skills and competency demands were determined.
- Analysis was made on the present situation of vocational training institutions' student supply.
- Study suggested to set up Labour Market Information System urgently to address labour market supply and demand in systematic way.

#### LMIS development interventions

#### MCA TVET project:

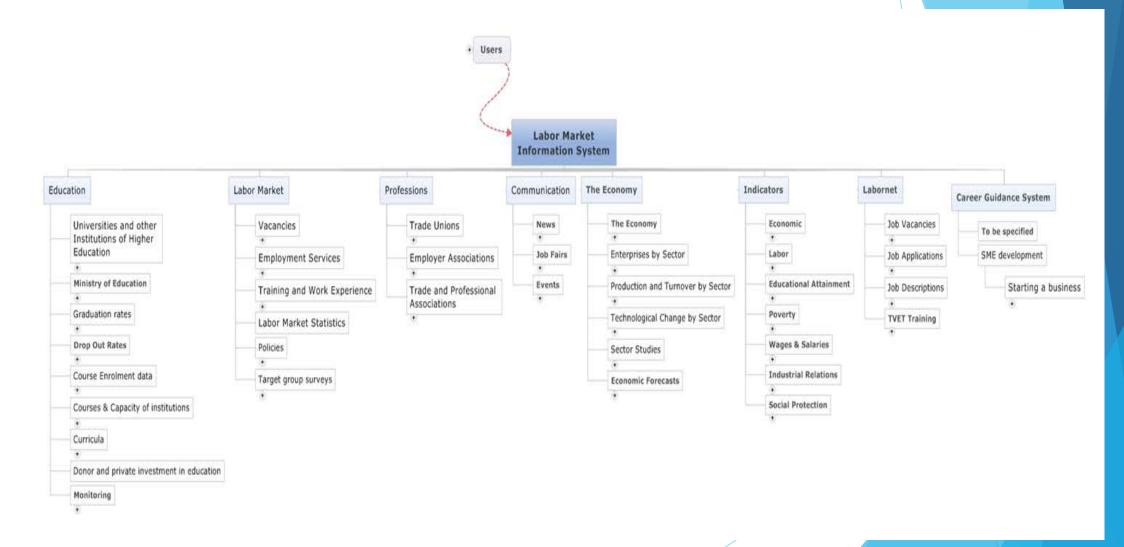
- A 'Gobi Region's Technical and Vocational Skills, Labor and Training Survey' was conducted in 2010. The study reveled data on labor market demands the region in 395 specific skills.
- Websites for an integrated Labor Market Information System and a Career Guidance System were developed at the Labor Exchange Central Office (LECO).
- ► LECO was provided with necessary ICT equipment and technology and network servers.
- ▶ A contractor (Applicatio GmbH & PEM GmbH) was hired to develop not only LMIS but also career guidance system and train the trainers for career guidance services.

As result of above efforts, an effectively functioning LMIS linked to all labor and employment offices in the provinces and capital city was established in 2012.

- Labor Market Information system is a labor market policy instrument to improve the information flow in the labor market.
- > 54 indicators were suggested to use in LMIS to monitor labor market situation
- Online career guidance system was linked to LMIS

In 2015, LECO was reformed into National Center for Employment Service, Research & Information

Websites: <a href="http://www.mol.gov.mn/">http://www.hudulmur.mn/</a>; <a href="http://www.hudulmur.mn/">http://www.hudulmur.mn/</a>; <a href="http://ww



#### Main functions:

Job posting and job seeking

Employee hiring

Choosing a profession

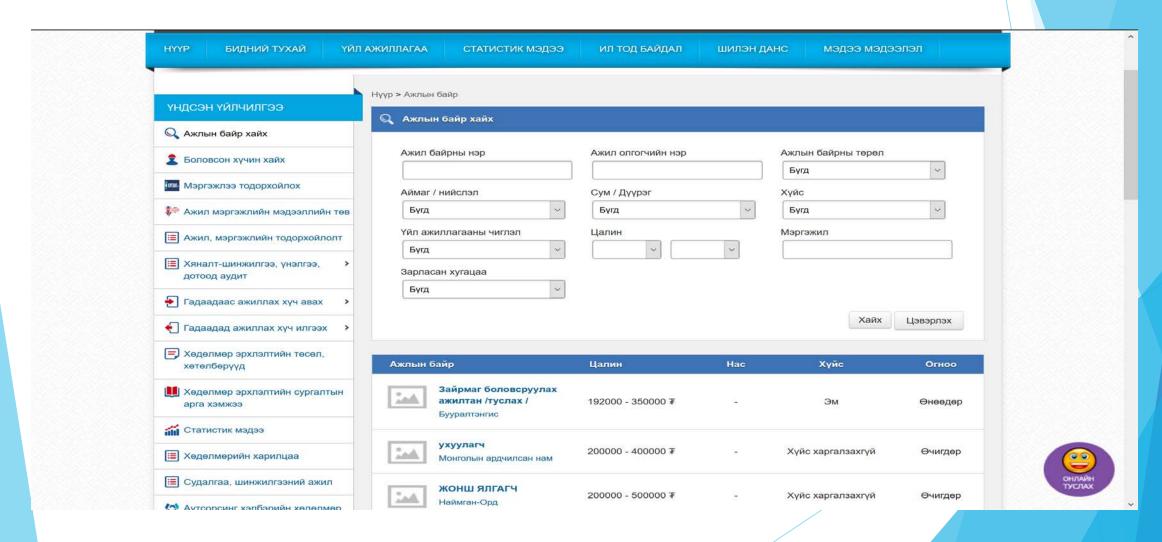
Job and profession information center/career guidance

Definitions & standards of occupations

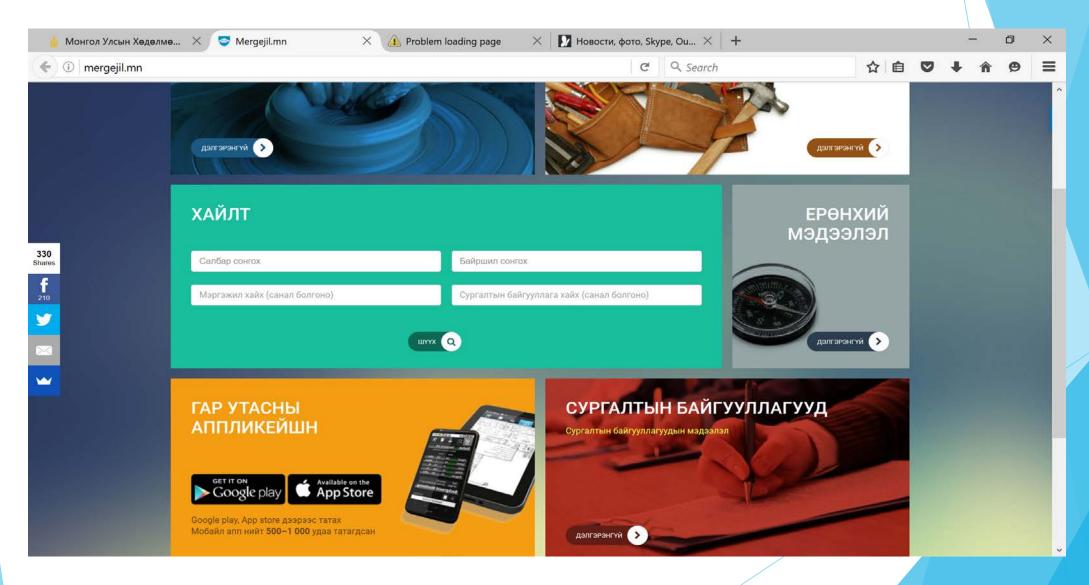
Assessment, monitoring and internal audit

Workforce import & workforce export

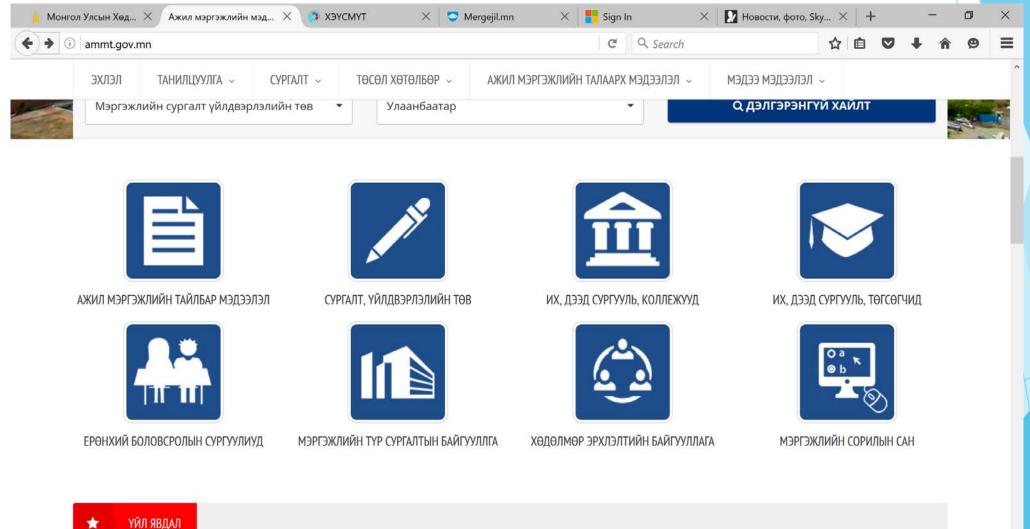
Job listing and application for vacant jobs



### Current operation of LMIS Search for TVET



### Current operation of LMIS Job and profession information center



#### Do TVET institutions benefit from LMIS?

No doubt that LMIS is very useful for employers, TVET students (prospective, current, & former), job-seekers, employment service offices, re-trainees, career counselling service, etc.

However, it is unclear how LMIS is useful for TVET institutions as data-source.

	Types of Information	Can LMIS provide information?
What types of information are needed for TVET institutions?	Job opportunities for graduates	Yes, but not all
	Internship opportunities for graduates	No, not at all
	Employment rates of graduates	No, not at all
	Occupational requirements of employers	Yes, but not all
	Labor market situation/indicators	Yes, but not all
	Local labour market demand	Yes, but not all

LMIS provides contextual information which TVET institutions should take into consideration for their effective operation.

#### Developing LMIS in Mongolia

# Thank you very much for your attention!

Email: jsukhbaatar8@hotmail.com

