

Sector-Specific, Demand-Driven Training Products: Innovation to Enterprise Development

Context

In 2004, SMEDSEP undertook studies focused on the Tourism and ICT sub-sectors in Negros Occidental and Cebu respectively, to identify specific workforce related problems and design strategic and meaningful programs to address them. The study revealed the human resource-related requirements of the Small and Medium Enterprises (SME) and pointed to the inability of local training providers to fulfill specific SME needs for retooling and /or providing specialized skills to employed workers.

The results of the study also reinforced the need for an innovative program that would shift the practice from a supply-driven, subsidized delivery of training services. The study established the need for demand-driven training programs that meet the needs of the market, increase SME competitiveness and generate employment in the Visayas.

SMEDSP partners- the Department of Trade and Industry (DTI), Technical Education and Skills Development Authority (TESDA) and the German Technical Cooperation (GTZ)- worked together in designing a program in select pilot areas.

Problem

Small and medium enterprises (SME) in sub-sectors with high-growth potential, i.e., Negros Occidental's Tourism and Cebu's ICT industries, have commonly faced difficulty in finding suitable skills training programs for their workers and/or sourcing adequately trained skilled workers from the local labor markets.

Solution

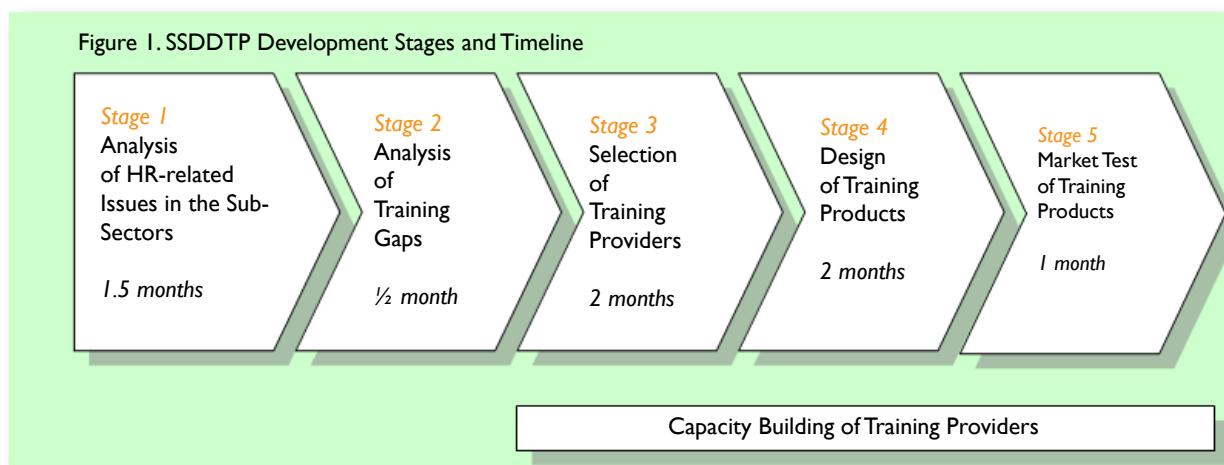
Develop and market **Sector-Specific, Demand-Driven Training Products (SSDDTP)** in collaboration with partner training providers.

Approach

Sector-specific Demand-driven Training Products (SSDDTP): Meeting SME Demands

SSDDTP development entails 5 stages as described below:

Figure 1. The Five-Stage SSDDTP Practice



The first two stages of SSDDTP development include the conduct of the TESDA Provincial Skills Priority Survey once every three years or an equivalent tool in DTI. This survey collects information on, among others, sector-specific skills demands and training gaps. These results are updated annually through a conduct of focus group discussions among key stakeholders.

In Stage 3, the facilitating agency initiates the selection of training providers that will be assisted technically in SSDDTP development using a pre-selected criteria.

Stage 4 entails learning sessions coordinated by the facilitating agency between the new training provider selected (Learning Innovator) and the SMEDSEP Phase I assisted training provider (Coach Innovator). In designing new SSDDTP, the capacity development activities include peer-to-peer learning, training workshops, study visits, and training of trainers.

The final SSDDTP development stage (Stage 5) of marketing and testing the developed training product is actively pursued by the Learning Innovator with coaching and technical advice from the facilitating agency and the Coach Innovator.

The parallel effort to build capacities of training providers, undertaken continuously throughout stages 3 to 5, proved to be essential to SSDDTP development success.

Completing the SSDDTP development stages is carried out in approximately 20-month period.



A meeting among Tourism stakeholders in Negros Occidental to deliberate on the initial findings of the Sub-Sector Analysis was conducted in September 2004. Among others, human resource-related issues, such as SME skills requirements in the sub-sector, were covered in the study.

Key Results

The full development of sector-specific demand-driven training products and the buy-in of target SMEs and job-seeking individuals on commercially-transacted basis were the two milestones achieved in the last six months, which resulted in the following:

- Anecdotal evidence from at least one ICT training provider has shown that SME patronage of its SMEDSEP-supported course has risen from 27 for the whole of 2005 to 55 for the first six months of 2006 representing a 104% rise in SME demand for this course alone.
- Among the unemployed individuals, this same ICT training provider's course has already achieved, for the first semester of 2006, a 15% increase in demand from the total figure in 2005.
- Impacts relative to employment in and training benefits to SME will be available only by the end of 2006.

Success Factors

- Systematic identification of SME needs
- Provision of a market platform that facilitates the direct linkage of providers to identified SME needs
- Natural tendency of SSDDTP to select the most entrepreneurial training providers with growth spirit.

CASE: *Interface Computer College*

SMEDSEP training provider-partner, Interface Computer College, has confirmed the need of IT-enabled service enterprises in Cebu for Computer-Aided Design and Drafting (CADD) operators through the ICT sub-sector analysis conducted by the Program in the province in 2004. They then proceeded to validating their CADD course with industry using the focus group discussion approach espoused by this good practice. The feedback they got from CADD practitioners were used to enhancing their CADD module offering to be more attuned with the needs of their target clientele.