Developing TVET Policies Designed to Increase Skills for Employment and Entrepreneurship in South Korea

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1. Introduction
2. Labor Market
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The economy of South Korea has grown from an ODA recipient country to a donor country. A key factor in economic growth is the development of the labor force by vocational education and training.
three stages in this study:

- the plan oriented period (1945-1987)
- the market-oriented period (1988-1997)
- the efficiency-oriented period (1998-present) after the financial crisis
The Labor Demand by Industry

The planning-oriented period

The efficiency-oriented period

Source: Korean Statistical Information System (http://kosis.kr)
Labor Supply by the Educational Level

(Unit: thousand persons)

Source: Korean Statistical Information System (http://kosis.kr)
# Formal Education System of South Korea

(Unit: thousand persons)

<table>
<thead>
<tr>
<th>Level</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduate school</td>
<td></td>
</tr>
<tr>
<td>Ph. D</td>
<td></td>
</tr>
<tr>
<td>Master (2 years)</td>
<td></td>
</tr>
<tr>
<td>University (4 years)</td>
<td></td>
</tr>
<tr>
<td>General high school (3 years)</td>
<td></td>
</tr>
<tr>
<td>Junior college (2-3 years)</td>
<td></td>
</tr>
<tr>
<td>Vocational (Special, Meister) school (3 years)</td>
<td></td>
</tr>
<tr>
<td>Middle school (3 years)</td>
<td></td>
</tr>
<tr>
<td>Elementary school (6 years)</td>
<td></td>
</tr>
<tr>
<td>Kindergarten (3 years)</td>
<td></td>
</tr>
</tbody>
</table>

Pseudo-statistics of career path of Korean students (at the point of graduation)

Notice: 1. This is pseudo statistics from one year education statistics in Korea (not from time-series data).
2. %’s are real numbers, but (integer)’s are approximate figures for just understanding.
3. After undergraduate programs, there are 8.34% (4) for graduate schools and 0.56%(1.15%, 2-3 colleges) for the military service (mandatory for young males in Korea) omitted.
TVT

- **The plan oriented period (1945-1987):** Expansion of TVT
  By the Law
  - Firm’s training in company
  - Contributions
  By Foreign Aid (Germany, Belgium, Japan..)
  - Public Vocational Training Institutes

- **The market-oriented period (1988-1997):** TVT for employees
  By Employment Insurance
  - Training for worker
  By General Budget
  - TVT for the vulnerable group (SMEs, the old, women)

- **The efficiency-oriented period (1998-present):** QC for VT, New Policies
  - Evaluation System: Korean Skills Quality Authority([https://www.ksqa.or.kr/](https://www.ksqa.or.kr/))
  - New Policies For VT (Tomorrow LC, Work-LPS, NBSIOT-New, Shortage)
  - Linkage with Employment (Employment Success Package Program, ..)
E&T For Entrepreneurship

- **M of Venture, Small and Median Es**
  Youth Bizcool (Primary and Secondary Education level)
  K Start-up Education (On-line), Start-up Academy (The tertiary Education level)
  Disabled Start-up Program, Start-up Graduate School, Sports Industry Start-up,
  Senior Tech Start-up

- **M of Education**
  SCEP (School-based Career Education Program: Wifi Entrepreneurship)
  YEEP (Youth Entrepreneurship Experience Program)
  LINC (Leaders in Industry-University Cooperation). Department for Entrepreneurship in S & T level

- **M of Employment and Labor, etc.**
  Social Entrepreneurship Program (MEL), Start-up Business, Start-up School, Campus CEO (Seoul M City)…
Outcomes of VT

Distribution of Trainees by Gender and Age

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
<th>29 below</th>
<th>30-39</th>
<th>40-49</th>
<th>50 over</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>450,623</td>
<td>144,007</td>
<td>306,616</td>
<td>163,229</td>
<td>124,654</td>
<td>94,336</td>
<td>64,404</td>
</tr>
<tr>
<td>2014</td>
<td>207,216</td>
<td>80,292</td>
<td>126,924</td>
<td>88,172</td>
<td>54,626</td>
<td>37,867</td>
<td>26,551</td>
</tr>
<tr>
<td>2015</td>
<td>213,549</td>
<td>85,524</td>
<td>128,025</td>
<td>99,167</td>
<td>49,472</td>
<td>36,120</td>
<td>28,790</td>
</tr>
<tr>
<td>2016</td>
<td>225,792</td>
<td>87,514</td>
<td>138,278</td>
<td>109,403</td>
<td>46,778</td>
<td>36,868</td>
<td>33,457</td>
</tr>
</tbody>
</table>


The National Basic Strategic Industry Occupational Training (2017)

<table>
<thead>
<tr>
<th>Permit Courses</th>
<th>Open Course</th>
<th>Open rate</th>
<th>Attending</th>
<th>Complete Rate</th>
<th>Employment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic</td>
<td>1,829</td>
<td>30.8</td>
<td>1,611</td>
<td>88.1</td>
<td>51,493</td>
</tr>
<tr>
<td>Strategy</td>
<td>612</td>
<td>10.3</td>
<td>555</td>
<td>90.7</td>
<td>21,255</td>
</tr>
<tr>
<td>Service</td>
<td>3,495</td>
<td>58.9</td>
<td>2,901</td>
<td>83.0</td>
<td>94,286</td>
</tr>
<tr>
<td>Total</td>
<td>5,936</td>
<td>100.0</td>
<td>5,067</td>
<td>85.4</td>
<td>167,034</td>
</tr>
</tbody>
</table>

Source: Jeong (2017). p7
IV Conclusion

Issues

1) Employment of the highly educated
2) The Employment Rate of Job Search Trainees
3) Training Performance for the employees

Policy Implications

Quality of VET
- Ranking(Overall 26th, TVT 44th, Service 52nd)
VT for Vulnerable Group
- The old (50 years old), The disable
VET for the future
- 4th Industrial Revolution
Entrepreneurship
- High-risk, high-return
- Socialization of Start-up
- The market structure improvement

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