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## FOREIGN EXPERIENCE OF SOCIAL PARTNERSHIP ON EDUCATION AND LABOR MARKETS

Обгрунтовано необхідність вивчення та використання закордонного досвіду соціального партнерства в контексті людського розвитку. Визначено мету партнерства на ринку освітніх послуг та праці. Проаналізовано можливі шляхи гармонізації соціально значимих ринків та напрямки їх взаємодії в процесі людського розвитку.

The necessity to study and use of foreign experience of social partnership in the context of human development. the goal of partnership of educational services and labor market are determined, the ways of harmonization of the socially significant markets and areas of interaction in the process of human development are analysed.

Key words: experience, human development, educational services, labor market, social partnership, interaction

**Introduction.** Analysis of current trends in the global economy on the basis of acute international competition, determine the urgency of strengthening the economy knowledge. Formation of the competitive economy of Ukraine requires a higher skill level and knowledge of personnel, its ability to take risks to generate

new ideas and the manifestation of creativity, willingness to change and increase accountability. Unfortunately today, most domestic enterprises report about significant lag level of training requirements and competencies required in the enterprise. The required level of competence of the staff needs special attention to the elaboration and implementation of mechanisms of personnel development. The achievement of these tasks determines the need for research and development of partnership labor market and educational services, and taking into account international experience of social partnership on the development of human capital.

**Setting the task**. The aim of the paper is the study of foreign experience partnerships of education and the labor market and opportunities for its use in domestic practice.

**Metodology.** Much attention paid to the issue of human capital and social partnership in scientific studies of domestic and foreign scientists, namely, V. Borisov, C. Libner, Odonoll R., Simon M., Faulkner G., O. Hrishnova, A. Kolot, Lych D, O. Martyakova, V. Novikov etc. [2, 3, 4].

Results of the investigation. Currently, Ukraine's economy is characterized by a certain imbalance, which significantly affects its competitiveness internationally. High level of academic achievement and development in some areas coexists with technological lag in others. Lack of harmonization of the education market and labor is the contradiction between the necessary and the actual level of training. Lack of competence of personnel, low share of investment in human capital significantly impedes the development of innovations.

The above mentioned conditions are recorded regularly as domestic studies and international ratings. The most famous of which is a ranking of competitiveness, conducted by the World Economic Forum (Fig. 1) with a network of partner organizations and the report on the human development, which is an

independent study commissioned by United Nations Development Programme (UNDP) (Fig. 3) [7-10].

Dynamics of changes in Ukraine's competitiveness compared with other countries shows the country's lag. Among the countries of ex - Soviet Union, Russian Federation and Kazakhstan are steadily ahead of Ukraine in a number of indicators over the past three years.

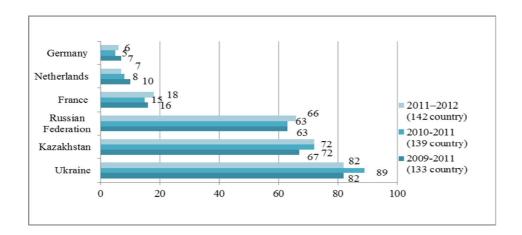


Fig. 1 – Ukraine's place in the ranking of global competitiveness

As can be seen from Fig. 1. Ukraine in the rating of 2010-2011 dropped by 7 points down. Russia after the 2011-2012 has risen in the ranking by 3 positions, Kazakhstan retained the position left by 72 rank. Thus, despite the increasing number of countries participating in the analyzed period, Russia and Kazakhstan could not only hold their positions, but also achieve higher ranks [8-10].

Many factors are affected on the level of competitiveness of the country such as: the level of availability and implementation of innovation, quality of education and level of training, investment in training and retraining of personnel, business collaboration and higher education institutions in research and development, human development indicators etc. Consider some of them (Fig. 2, 3). According to the

World Economic Forum, Ukraine's economy in 2011 from 142 countries took the following positions (Fig. 2.): global competitiveness - 82; level of innovation - 74; access to technology in the country - 96; cooperation of universities and business in research and development - 70; higher education and training - 51; quality of education -72; investment in training and retraining of staff - 117.

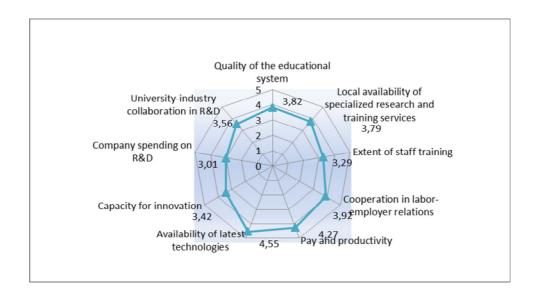


Fig. 2. -Indicators of Ukraine's competitiveness in science, education and technologies (from 2011-2012) [8]

It should be noted that in this respect, Ukraine is much inferior to the developed countries. The quality of human capital determines the condition of labor potential, which in Ukraine today is ambiguous. On the basis of improving the quality of its individual characteristics (increasing percentage of the population with higher education, increasing computer literacy, ability to work in the emerging market environment, increased business activity), in Ukraine there are processes leading to the destruction of the labor potential (Fig. 3). For example, not improved indicators of population reproductoin (worse health indicators of people of all age

groups decline, the intensity of the migrant working population and rates of population aging increase). As a result of these processes in Ukraine there is acute shortage of qualified personnel.

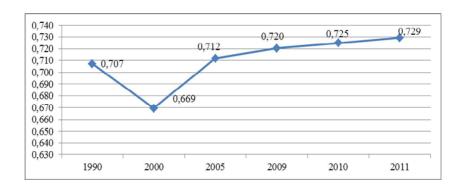


Fig. 3 - Ukraine's rating for HDI among other countries (1990-2011.) [7]

According to the Human Development report such countries as France, Netherlands and Germany are leaders in the ranking of human development (table 1). The tendencies of human development in Ukraine compared with other countries provoke special attention to the question of human development. In these countries the development of social partnership in the labor market and educational services was of particular significance(table 2). The experience of developed countries shows that the adjusted social dialogue creates a strong political majority for enhancing the education, which in turn is the foundation of the formation of successful systems development of human capital [7].

For overcoming the lag of developed countries requires the formation of socio-economic guiding lines of government development policy. It is necessary to change the perception of concept of "costs" for education and training, social development of the concept as "social investment in human development."

Table 1- Trends in Human Development Index, 2000-2011 [7]

HDI rank						
(among 187		2000	2005	2009	2010	2011
country)	Country					
3	Netherlands	0,882	0,890	0,905	0,909	0,910
9	Germany	0,864	0,895	0,900	0,903	0,905
20	France	0,846	0,869	0,880	0,883	0,884
	Russian					
66	Federation	0,691	0,725	0,747	0,751	0,755
68	Kazakhstan	0,657	0,714	0,733	0,740	0,745
76	Ukraine	0,669	0,712	0,720	0,725	0,729

Social partnership in a general sense - is a social activity of different social groups. Thus it can be carried out continuously, and through special program in the individual measures of social partnership. Some domestic experts consider social partnership as dynamic process inherent in a democratic society for socio-economic and political conditions and the result of painstaking collaboration, interested parties relationship. In modern conditions the criteria of reproduction of human potential became fundamental. Social partnership can be described as the direction of human development, representing a relatively effective mechanism of attraction the wide range of participants to the joint decision of the problems of imbalance on the education and labour market allowing partners to coordinate a balanced responsibility for the outcome, promoting the use of all available resources of partners for the synergistic effect of their cooperation.

The study of foreign experience of social partnership is very important in modern condition of Ukraine. In this context, special attention is paid to Europe experience. The process of formation and development of social partnership of European countries has been very difficult and even today has some difficulties. Issues of structure regulation and content of education as well as forms and

directions of cooperation of social partnership in each country have their own characteristics. However, there are certain characteristics. Thus, the role of representatives of the labor market for example is reduced to the participation in the development of qualification requirements and professional standards, formation of the priorities of education in the workplace, participation in the formation of state policy and decision-making in education, participation in elaboration the education programs, identification of the requirements for the content of education and the final assessment, mobilization of financial resources and control over their use, participation in management of educational institutions.

There are three basic models, which distinguishing from each other by the level of state participation in the system of vocational education and the needs of the social partners in uniting the efforts:

- 1. The state does not play any role or its role is insignificant (United Kingdom);
- 2. State plans and provides education and training and manages it (France).
- 3. The state defines the general framework for private companies and organizations on the implementation of vocational education and training: Germany (dual system), the Netherlands, Denmark. Government mechanisms of attraction to social partnership: state subsidies to the employers creating additional training places for training in the workplace; creation in the collective agreements of educational funds, granting the loans for the retraining courses of highly skilled workers.

Thus, the partnership on the market ef education and labor is very special type of social interaction aimed at on the one hand- training for creative, professionally competent, mobile, easily adapted to changes specialists, on the other - the process of self actualization participants of educational process, trying to make positive changes in education, namely to bring the potential of this system in their current state.

Table 2 - The European practice of social partnership

Netherlands	United Kingdom	Germany	France
1	2	3	4
National organizations (national authorities): To unite the representatives of industry and business, trade unions, the education system; To represent the interests of state employees, employers; To coordinate the interaction between the labor market and education; Funds or Association Act on behalf of the state.	Coordination the education market - is a function of employers (traditional);  The need for joint efforts of employers at national level;  Sectoral Council on skills.	Active government involvement in the development and support of education. Control over education by the social partners. Regulation of supply and demand - the market.  Social partnership – is a key element of dual education system.  Clearly, secured by law division of responsibilities between the federal	A compromise solution 1. State regulation and involvement of social partners: Professional associations, Chambers of Commerce, unions, etc. 2. Decentralization of management is a transmission of authority to the regions.
Activities of National Organizations: Formation of the content of vocational training and education; Quality of education; Development of training courses. Study of training needs within companies; Development of long-term plans of study; Organization of production in the system education; Monitoring of social and technological changes in the labor market by industry; Monitoring of social and technological changes in the labor market according ti the branches of industry;	Industry Council. Objective: The impact on the state and the education sector to all sectors having access to the necessary skills Stages of approval: - Develop business process, including assessment of the labor market, 5 - year strategic plan and business - plan for 18 months.	government.  Development of qualifications  1. The employer's initiative.  2. Research and further training documents.  3. Examination and testing solutions (social partners, the federal and provincial governments)  4. Revision.  5. Adoption.	Advisory role of social partners:  1. Bureau partnership with the scope of work and professional advisory committees: Developing the content of qualification requirements and communication with national industry advisory committees  2. Bureau of regulation of professional diplomas.

## Continued Table 2

1	2	3	4
Determination of the	- Evaluation and		3. Bureau of initial
ultimate goals of	approval of the plan in		vocational education
education;	consultation with		programs and
Quality assurance of	stakeholders;		integration into the
final certification	- Issuing licenses for		labor market.
Development and	three years, signed by the		4. Bureau of
support of the national	Minister of Education		continuous adult
qualifications.			learning.
Development of	Development of skills		Organizations of
qualifications and	needed in all areas,		social partnership:
educational standards	namely in:		1. Permanent
(based on monitoring of	- Management and		committee of the
field)	Leadership		National Council of
Stages : determination of	- Employment		vocational training.
profiles of occupations,	- Ensure stability		2. Coordinating
elaboration of education			Committee of the
(social partners +			regional education
educational			programs and
establishment)			vocational training.

The following issues are included in the scope of the interests of social partners: the definition of educational content and quality of curricula and programs, formation of a single European space for distance training, the definition of the terms and purposes of qualifications and basic skills, orientation, the length of compulsory education, training teachers structure, organization and implementation of production training, provision with employment, organization and operation of further study and its availability, provision with the law on all the above issues. Formation of social partnership depends on the basic model of education and training, adopted in a particular country which, in turn, is formed depending on the type of industrial relations.

**Conclusion.** Analysing the experience of developed countries and state social and labor relations in Ukraine the conclusion is made that for human capital

development through the use of social partnership the following conditions are necessary: strategic management of human resources towards improving the quality of human capital; continued investment in human capital; create conditions for lifelong learning and human resource development as a personal and at the national level; high quality of working life, including the availability of corporate culture, fair compensation for each employee, opportunities for professional development, the existence of favorable psychological climate, etc.; development of industrial democracy: engaging employees to direct participation in production management; increasing the role and services for Human Resources Management, conducting analysis, management and regulation of social and labor relations; stimulating the desire to study each individual; distribution of income among employees, depending on quantity, quality and intensity of labor; equal access to training and education; developing and implementing new approaches to human resource management.

Increasing importance of human capital in the economy of a new type of based on knowledge, requires constant production of a new knowledge on the basis of the introduction of lifelong learning. Through adjustment of the system of social partnership in Ukraine may improve quality indicators of human capital.

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