POLICIES FOR HUMAN CAPITAL DEVELOPMENT
TURKEY
AN ETF TORINO PROCESS ASSESSMENT

EXECUTIVE SUMMARY
PREAMBLE

The European Training Foundation (ETF) assessment process provides an external, forward-looking analysis of countries’ human capital development issues and VET policy responses from a lifelong learning perspective. It identifies challenges related to education and training policy and practice that hinder the development and use of human capital, taking stock of them and making recommendations for possible solutions.

Such assessments are a key deliverable of the Torino Process, an initiative launched by the ETF in 2010 and aimed at providing a periodic review of vocational education and training (VET) systems in the wider context of human capital development and inclusive economic growth. In providing a high-quality evaluation of VET policy from a lifelong learning perspective, the assessment process builds on four key principles: ownership, participation, and holistic and evidence-based analysis.

For the ETF, human capital development means supporting countries in the creation of lifelong learning systems that provide opportunities and incentives for people to develop their skills, competences, knowledge and attitudes throughout their lives, with a view to improving their employment prospects and realising their potential, as well as contributing to prosperous, innovative and inclusive societies.

The main purpose of these assessments is to provide a reliable source of information to enable the planning and monitoring of national education and training policies with respect to human capital development, as well as offering a foundation for programming and policy dialogue in support of these policies by the European Union and other donors.

The ETF assessments rely on evidence collected by the respective countries using a standardised reporting template (the National Reporting Framework – NRF) within a participatory process involving a wide variety of actors with a high degree of ownership. The findings and recommendations of the ETF assessments have been shared and discussed with national authorities and beneficiaries. However, the ETF takes full responsibility for each assessment and for any errors and omissions contained therein.

This assessment report starts with a brief description of the strategic plans and national policy priorities of Turkey (Chapter 1). It then presents an overview of issues related to the development and use of human capital in the country (Chapter 2), before moving on to provide an in-depth discussion of the problems in this area that, in the view of the ETF, require immediate attention (Chapter 3). Chapter 4 offers overall conclusions resulting from the analysis.

EXECUTIVE SUMMARY

Context

This European Training Foundation (ETF) assessment provides an external, forward-looking analysis of the country’s human capital development issues and VET policy responses from a lifelong learning perspective. It is based on evidence contained in Turkey’s National Torino Process Report, which was compiled in 2019 using a standardised questionnaire (the National Reporting Framework – NRF) and additional information sources, including international analyses.

The report comes at the right time, as the Turkish Government has recently set ambitious goals to move from a middle-income to a high-income country and to enter the top-10 global economies. Policymakers are well aware that this can be only achieved if education and employment policies are able to transform and improve the country’s human capital. The Education Vision 2023 aims to contribute to these goals and has set new priorities in all areas of education, including vocational education and training (VET).

However, despite the advanced level that Turkey’s economy has already reached and the significant reforms that have taken place in education and training – with others still ongoing – substantial challenges in human capital development and use remain.

Findings on human capital

Turkey has made substantial progress in human capital formation, especially in improving access to various levels of education, as acknowledged by EU benchmarks or OECD policy reports. However, as far as most education and training indicators are concerned, wide gaps remain between Turkey and comparable countries in the EU and OECD.

As a large country in an age of digitalisation, Turkey is facing manifold human capital development challenges. In economic terms, the most pressing of these relate to making the transformation from low to advanced technology and from a middle- to a high-income country; boosting productivity and tackling the impact of automation; and mitigating the effects of the urban-rural divide in an increasingly urbanised society in order to provide career opportunities for a young population, as well as reskilling and upskilling the adult workforce, including a huge number of refugees.

Economic transformation calls for enhanced adult learning

The ETF assessment found that the economic transformation already happening, allied to the current ambitious policy goals, call for enhanced adult learning opportunities – in particular with regard to those people working in sectors at high risk of automation as well as for the low-skilled and groups vulnerable to social exclusion. While initial education and training will remain important as a foundation for all, the relative importance of adult learning is expected to increase as reskilling and upskilling for new jobs becomes more crucial for employability. However, adults in Turkey seem to be less prepared for the future than their peers in other countries.

While another source of increased demand for adult learning may come from the relatively low educational attainment of the population, there is strong evidence that the level of participation in learning and training provision in Turkey remains comparatively weak.
1. Develop a longer-term vision of adult learning as part of lifelong learning

- Ensure that a longer-term meets the skills challenges posed by digitalisation and automation.
- Expand the lifelong learning section in the Education Vision 2023 with targets and specific measures.
- Ensure alignment with the objectives set by the European Agenda for Adult Learning and the EU Upskilling Pathways policy.

2. Review adult learning policies and practices

- Launch a review of adult learning policies and practices to identify gaps in provision, bottlenecks and priorities for the future.

3. Increase funding for adult learning

- Develop the evidence base for the overall public funding of adult learning and compare it with other segments of the education system.
- Revisit existing funding schemes and gradually expand funding for adult learning to priority target groups and sectors.

4. Develop better cooperation and coordination mechanisms

- Improve cooperation and coordination both within organisations and among them.

5. Improve links between initial and continuing VET/adult learning

- Review the role of the National Lifelong Learning Council and the National Adult Learning Coordinator.
- Bring the two systems of IVET and CVET closer together.
- Start in key sectors of the economy as well as in the fields which suffer most from the traditional image of VET problems.

6. Tackle skills mismatch

- Carry out research, analysis and more frequent monitoring of the skills mismatch of VET graduates.
- Compare with graduates from apprenticeships and general and higher education.
- Review current fields and branches to ascertain whether they correspond to current and anticipated labour market needs.

7. Make vocational training more effective through quality work-based learning

- Expand and redesign career guidance services nationally, including adult guidance.
- Better align and coordinate existing services.
- Start guidance earlier and embed it into the curriculum, with an emphasis on career management skills.

2018-20

- Set clear and realistic targets for apprenticeships and boost supply.
- Improve the quality of traineeships drawing on the Quality Improvement Plan for traineeships in IVET.
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8. Develop career guidance system.

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**Turkey Recommendations for Policy Makers**

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**Skills Mismatch**

- Research, analysis and more frequent monitoring of the skills mismatch of graduates with apprenticeships and general and higher education.
- Review current fields and branches to determine whether they correspond to current and anticipated labour market needs.

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**Torino Process 2018-20**
Skills mismatch calls for higher VET participation and more effective VET provision

In recent years two other interlinked phenomena can be observed which are exerting a negative impact on human capital development and use in Turkey. The first is the shrinking pool of skills supply for the economy, as evidenced by the decreasing VET participation rate, including apprenticeships. The second is the persistence of skills mismatches (both vertical and horizontal) that undermine the potential of human capital in the country. Paradoxically, VET is also affected by skills mismatch, indicating the need for more effective VET provision and career guidance.

Stagnating and comparatively limited opportunities for adult learning combined with decreasing VET participation and high level of skills mismatch are serious concerns for human capital development and constrain growth and employability in the country.

The ETF suggests that these areas should become an immediate policy priority. In particular, the working-age population in Turkey needs to be empowered to cope with the economic transformation that is already happening and is likely to accelerate in the near future.

Recommendations for action

Improving interlinkages between initial VET and continuing VET/adult learning

Initial VET and continuing vocational education and training need to be much more closely linked, and even dovetailed, since the importance of a lifelong learning perspective is steadily increasing in the context of digital transformation. This could offer people new and more competitive career perspectives, as well as making initial VET more attractive in comparison to general and higher education.

Tackling skills mismatch in VET as a key priority

The strong horizontal skills mismatch that exists for graduates from the VET system needs to be further researched and also monitored more frequently. Comparisons need to be made with graduates from apprenticeships, and the current VET fields and branches should be reviewed to assess whether they still correspond to present-day and anticipated labour market needs. This should be made a top priority, and carried out in cooperation with business organisations in the country. Valuable information gained from this undertaking could enrich Turkey’s modern E-Graduate Monitoring Portal, managed by the Ministry of National Education (MoNE).

Expanding adult learning opportunities

Turkey needs a longer-term vision and strategy for adult learning which is more prominently positioned within a wider lifelong learning (LLL) strategy and the Education Vision 2023. To support the development of a longer-term strategy for adult learning, a comprehensive and holistic review of adult learning policies and practices in Turkey should be carried out. This could reveal if there was insufficient provision in certain areas, such as education and training for adults with low skills, or in particular regions. The current financing of adult learning and funding schemes should be revisited and the overall education budget gradually rebalanced in favour of adult learning.
Developing a system of career guidance

An expansion and redesign of the career guidance services is recommended, and a coherent national system should be developed. The Turkish career guidance services need to become more effective in order to make a real contribution to human capital development. The future career guidance system should include adult guidance services, especially for those most in need, including women who are not involved in education or the labour market, refugees and migrants, and other vulnerable groups.
The ETF launched the Torino Process in 2010 as a periodical review of vocational education and training (VET) systems in the wider context of human capital development and inclusive economic growth. While providing a quality assessment of VET policy from lifelong learning (LLL) perspective, the process builds on four key principles: ownership, participation, holistic and evidence-based analysis.