

# LOCAL SKILLS MATTER

ISRAEL



# Entrepreneurial Communities:

Sparking change in communities  
in the ETF partner countries



**The Israeli Entrepreneurial Community is an example of good multilevel governance and change in action. In Israel the national government has realised the benefits of multi-level governance and is providing the space for the Entrepreneurial Community and other local actors to contribute to the skills and employment policy cycle from design to implementation. It also accessed funding for local innovative practices on skills and employment and is now exploiting the channels of communication it set up to feed back to them and use the practical knowledge generated to adjust its education and training offer.**

**The partnership aims to impart innovative and creative thinking skills in the Hadera multi-disciplinary school and attract young people to stay in the city. It brings together a number of actors:**

- Amal educational network (non-governmental organisation) (lead)
- Hadera Multi-disciplinary School
- Ministry of Education
- The Mayor of Hadera
- Municipality education administration
- Kindergarten Beit Issie Shapiro
- iDigital Israel
- Hillel Yaffe hospital
- Biomed Group

In May 2013 the Amal educational network established an Entrepreneurship Centre at the Hadera multi-disciplinary high school. The Centre currently has 70 students aged between 15 and 18, who have to attend twice a week. At the Centre students go through the entire business cycle from idea generation to production, marketing, and sales. Parents are active partners, connecting the Centre to local businesses and multi-national corporations that dedicate senior officials' time as well as funding. The topics the students work on stem from the Centre's collaboration with a local kindergarten that works with children who have special needs. Each student or a group of students studies a particular child's needs and problems. They then choose one of the options for their business:

1. Developing external medical aids (Biomed): Designing and producing a game or another device for a child with special needs using a 3D printer located at the Centre
2. Developing an application for a tablet computer: Developing games for tablets with iDigital (representing Apple in Israel) and IBM.

Since the opening of the Entrepreneurship Centre, not only has the level of participation of all students attending the school increased, but teaching methods are changing and aligning with dynamic innovative approaches, which draw on real learning needs in the world of work. Students are more motivated which is reflected in their test results. The results of the Hadera model help to shape the VET system. The contribution was made possible by the multi-level governance process that enables local actors engaged in the Entrepreneurial Community from local authorities, schools, the private sector and non-governmental organisations to feed back lessons learnt into the policy cycle.

The Israeli Entrepreneurial Community is an example of how a grass-roots initiative can spark change when the value-added of evidence from practice is recognised. The spill-overs of Entrepreneurial Communities potentially reach far beyond their immediate goals.



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## High tech, high touch: Innovation in Israel's schools



### Project:

The Israeli Entrepreneurial Community's aim is to impart innovative and creative thinking skills



**The Israeli Entrepreneurial Community's aim is to impart innovative and creative thinking skills in the Hadera Multi-disciplinary School and attract its graduates to stay in Hadera by exposing them to the real-life local business cycle in application development and biomed. The complex partnership is led by Amal, a non-governmental organisation, and includes local and national government, local and multi-national companies, research groups, parents, kindergartens and others.**

Ravit Dom is General Manager of the Amal Group, a network of more than 120 schools educating students from all sectors of Israeli society. Amal, from the Hebrew word for labour, has a focus on vocational education and a distinctive pedagogical approach that includes project-based learning, making use of up-to-the-minute hardware and software. The Amal Group is the lead partner in the Ministry of Education's 'meaningful learning' reforms, which aim to connect education with employment, utilising project-based learning as part of the academic evaluation process.

Dom speaks passionately about her work. "A qualification is just a ticket," she says, "but initiative is for life." At the beginning of 2013 the Amal Group established an Entrepreneurship Centre with a strong high-tech slant within its high school in Hadera. The school has a student population of around 2,000 in 60 classes in the 14-17 age group, and the new centre aims to help around 70 11th and 12th grade students prepare for the demands of work, whether as employees or as founders of their own businesses.

In the last ten to fifteen years Hadera has grown in size, and Mayor Tzvika Gendelman sees the Amal Group model as central to his urban development programme. According to Hadera high school Principal Ilana Strahl the Entrepreneurship Centre's influence on the city is so great that, "the Mayor is talking about opening more places like this, to give more children the opportunity to learn in such a way. I really hope that one day all schools will look like this, but we must have more support from industry, from the financial sector, they must contribute to schools."

Strahl believes that change is needed both in the subjects that are taught and the way that teaching and learning happen. Students must learn to be more independent, so that they leave school with the confidence to achieve whatever they want. She strongly supports the hands-on, project-based approach that the entrepreneurship centre exemplifies. "I tell our teachers every week that the only way to learn is to make mistakes. So if the children are afraid to make mistakes, they won't learn. They'll only answer the teacher's questions if they're 100% sure that they are right and it's not the right way to learn."

### High tech growth

There is a demand for more high-tech skills in the Israeli labour market, a demand which Ravit Dom puts at some 5,000 jobs in technology-related roles. This skills gap remains a problem despite the growth of the high-tech startup sector in Israel. This has led to a resurgence in the profile of vocational education. Around 40 per cent of young people took vocational-based pathways after high school until the 1980s, when government policy began to emphasize higher education. Enrolment in universities grew significantly, to the point where the numbers entering the VET system had fallen to just 25 per cent. However, in the last five years the balance has shifted back towards VET schools as they have gained a reputation for offering high-quality, high-tech vocational courses. Nevertheless, the recent OECD Skills Beyond School review of Israel notes that there is less vocational provision than in many other OECD countries.



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Ravit Dom is adamant that the best route to positive change is via a mixture of ‘top-down’ and ‘bottom-up’ initiatives, so while the Amal Group does receive financial support from government it is very much setting the agenda in terms of innovative practice. The government’s support is split between the Ministry of Education and the Ministry of Economy, but the former has been the more strongly influenced by the outcomes of the Amal Group’s innovations. For example, as part of the Entrepreneurship Centre’s methodology, a group of 11th-grade students took part of their Bagrut exam, Israel’s high-school matriculation certificate, a year early. One hundred per cent achieved A-grades. The results have impressed the Ministry of Education to the extent that they have granted a special exemption from thirty per cent of the final Bagrut exams for students using the project-based approach.

“Our relationship with the Ministry of Education is very good now,” says Dom, “although it had its ups and downs. There were challenges in the beginning, but eventually I convinced them to believe in our model, and it has changed the education system in Israel.”

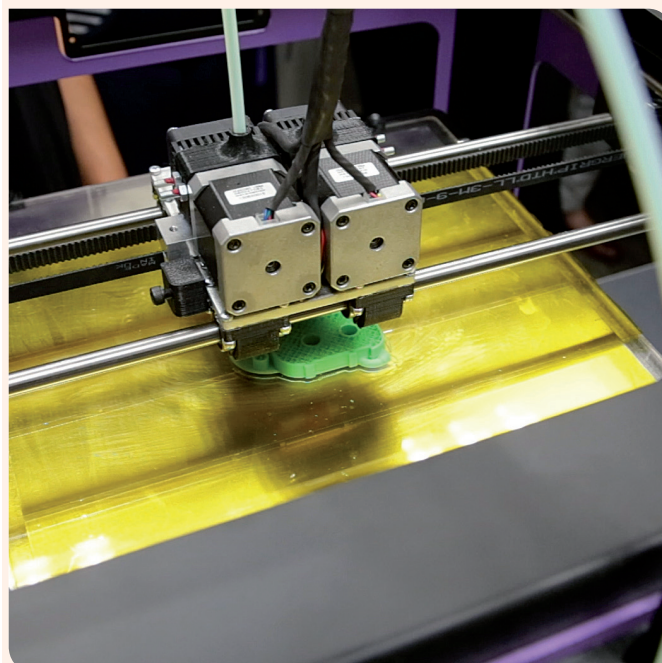
### **Innovation comes from change**

“In Israel we tend not to distinguish between universities and vocational schools,” says Oded Cohn, IBM Vice President and Director of Research in Haifa. “What made Israel a startup nation is three pillars; the universities and vocational schools, the venture capital investment in startups, and the presence of global companies. It’s not about each one of those ingredients alone, it’s the combination of them and the fact that our society is open and people are collaborative. That’s the mixture which eventually creates entrepreneurship and innovation. We are piloting an entrepreneurship education project with the Amal Group in Hadera, but in order to get the scale you need government support, because you will need changes in policy.”

### **All in**

A network of countries including Israel, Turkey and those in South Eastern Europe is working with the ETF to improve social cohesion through inclusive and equitable VET systems. Collaborating through this network helps all participants by sharing evidence of the social and economic value of inclusive education systems.

**Source:** Mapping Of VET Policies And Practices For Social Inclusion And Social Cohesion In The Western Balkans, Turkey And Israel, [www.etf.europa.eu](http://www.etf.europa.eu)



IBM works with the Amal centre to train the students in research and innovation methods, which in turn helps them adapt to the real world of work. Cohn points out the importance of entrepreneurship for business in Israel with the level of venture capital investment at around two billion dollars a year. He acknowledges that not all students will become entrepreneurs in the sense of establishing a venture capital-backed startup, but adds that they may become entrepreneurs in other aspects of life.

"Even if you work for a global organization, or in a political system, you can still be entrepreneurial in spirit and try to change things, try to change the community you belong to." Underpinning this is the idea that as an entrepreneur, in Cohn's words, "you can own your destiny, you can take completely personal decisions which are in a sense bolder and better for you".

The ability to recognize genuine innovation is critical for IBM's research, and Cohn identifies the spur to innovation as the desire to change something. "If you are happy with everything that's going on and you accept everything, then there's no innovation. If you're somewhat discomfited or want to improve, this is what prompts innovation. So the major thing is actually to create a generation which is more about changing things, about new ways of doing things. This may be in business, in social life, in politics, in every dimension of life."

### If you don't ask, you don't get

The partnership-driven approach is evident in the way Amal Group in general, and the Hadera Centre in particular, go about creating opportunities for their students. Ravit Dom explains how a meeting in a sushi bar prompted her interest in a high-tech approach. "I went to meet a friend for dinner, and when I arrived I found that they had iPads on every table and the menu, which was very visually-led and easy to understand, was accessed through an app. It was very attractive and effective, so I asked the guy running the place how he did it and he offered to introduce me to the managing director of iDigital, Israel's premier reseller of Apple products."



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This led to a partnership with Apple which enabled Dom to provide tablet computers for the students. She had recognized the potential for using apps, which are available on smartphones, laptops, and other devices as well as iPads, to help students develop problem-solving, lateral thinking, and other innovation skills. Dom also needed financial support, and pitched the Amal Group centre in Hadera to a senior official at Bank Hapoalim, Israel's largest bank, as a community project. By demonstrating how the bank's involvement would be good for its image as a supporter of future business leaders she persuaded them to part-finance the project with a non-repayable grant, with the remainder of the funding coming from academic research sources.

Tomer Muzikant attributes his progress as a student at the Hadera centre to the support of external mentors. "When I first came here I had problems working with others in a group, but we had mentors as well as our





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teachers guiding us, and now we really understand each other much better. We get people coming to the centre to teach us how to present, or how to develop a product. Recently we cooperated with Micky Fridlov, CEO of Synergy Integration, a company which designs and develops new products. He showed us how to develop a prototype, and we visited his factory and saw how the processes work. I think that every meeting I attend here, every tool I've learned to use, is going to help me in life. If I need to present something, or develop an idea that I have, then these are the tools I will need."

The Amal Group now has two high school-based entrepreneurial centres which could serve as models for all Israeli schools. Ravit Dom believes attending the entrepreneurship centre makes a huge impact on students. "First of all, they're happy to come to school. Their confidence grows daily, they gain friends,

#### SME policy strength

Israel's well-developed financial sector and innovation capability are important factors in the European Union's Small Business Act framework. Working with all the relevant partners in country, and with the support of other international agencies, the ETF is helping Israel find more ways to empower SMEs.

**Source:** Promoting SMEs In Israel Using The Small Business Act For Europe, [www.etf.europa.eu](http://www.etf.europa.eu)

they develop a real passion, and learn how to express themselves. They develop networks and they learn to believe in themselves. They know that if they work really hard, then they will succeed. And if they make a mistake they're not afraid; they learn from it, and they continue until they succeed."

### **Governing for jobs and stability**

The ETF's Governance for Employability in the Mediterranean region project, known as GEMM, helps countries in the region to find successful ways to govern their vocational education and training systems. This gives technical jobs greater kudos, promoting stronger careers and greater economic diversity.

**Source:** Improving VET Governance For Better Jobs And Stability In the Mediterranean Region, [www.etf.europa.eu](http://www.etf.europa.eu)





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The ETF is an EU agency that helps transition and developing countries to harness the potential of their human capital through the reform of education, training and labour market systems in the context of the EU's external relations policy.

