

EXECUTIVE SUMMARY

of the analitical report "Regional Strategy of reforming the vocational education an traning system in Donetsk oblast"

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The United Nations Recovery and Peacebuilding Programme (UN RPP)

The United Nations Recovery and Peacebuilding Programme has been addressing priority needs in eastern Ukraine since the outbreak of the armed conflict in the spring of 2014. The Programme is intended to support the Economic Recovery and Restoration of Critical Infrastructure in the conflict-affected communities, support the Local Governance and Decentralisation Reform implementation alongside with Healthcare Reform, and strengthen Community Security and Social Cohesion in the government-controlled areas of Donetsk and Luhansk oblasts and Zaporizhzhia Oblast along the Sea of Azov.

Four United Nations agencies are implementing the United Nations Recovery and Peacebuilding Programme (UN RPP):

- the United Nations Development Programme (UNDP),
- the UN Entity for Gender Equality and the Empowerment of Women (UN Women),
- the United Nations Population Fund (UNFPA)
- the Food and Agriculture Organization of the United Nations (FAO).

The United Nations Recovery and Peacebuilding Programme operates in Donetsk, Luhansk and Zaporizhzhia oblasts of Ukraine, as well as in Zhytomyr and Dnipropetrovsk oblasts, where the Rule of Law Programme works.

Ukraine Early Recovery Programme operates in Donetsk, Dnipropetrovsk, Kharkiv, Kherson, Kyiv, Luhansk, Odesa, Poltava and Zaporizhzhia oblasts.

The total budget for 2019-2022 is over 80 million US dollars.

Twelve international partners support the Programme: the European Union (EU), the European Investment Bank (EIB) and the governments of Canada, Denmark, Germany, Japan, the Netherlands, Norway, Poland, Sweden, Switzerland & the UK.

Vocational (vocational and technical) education problems of Donetsk Oblast, which have accumulated for decades, need urgent solution. Thanks to the support of international organizations, including UNDP in Ukraine, work has begun in the region to research the vocational education and training system. The first step on this path was the analytical study of the VET system and the labour market of the region, which was carried out within the framework of The United Nations Recovery and Peacebuilding Programme. This study provided an opportunity to identify both Ukraine-specific and region-specific VET development problems. The presentation of the study results, its discussion with a range of stakeholders confirmed the need of the next step - the development of a regional strategy (hereinafter referred to as the Strategy) for reforming the VET system of Donetsk Oblast. It is a systemic document that should contain a number of measures - from the formation of a strategic vision of the region's VET system to the definition of specific goals, measures and mechanisms for its reform. This approach is in line with the policy of the state in the sphere of the VET system reform, which is set out in the Modern technical and vocational education and training concept and approved by the order of the Cabinet of Ministers of Ukraine Nº 419-p on 12.06.2019.

The Strategy is the result of the cooperation of all the stakeholders, including educators, business representatives, local authorities and international organizations. The Strategy's implementation period is 2020-2027.

MODERN SYSTEM OF TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING OF DONETSK OBLAST

The current VET system of Donetsk Oblast was formed under the influence of several factors and remained almost unchanged since the Soviet times. The high level of industrial development of Donetsk Oblast, the peculiarities of the region's economy structure have led to the increased demand for workers in those professions that are required by enterprises of the metallurgical, chemical industry, coal mines, etc. Thus, the established practice of setting up VET institutions almost in every large enterprise has been formed in the region.

Along with economic prerequisites, socio-demographic and settlement factors had a significant impact on the formation of the VET institutions network. For many years Donetsk Oblast was distinguished in Ukraine by the largest number of urban settlements and the highest population density.

The labour market was and remains a significant factor in the training of personnel in the VET system of Donetsk Oblast. Moreover, labour market largely determines the list of occupations according to which workers training is carried out in the region.

The events of 2014 undoubtedly influenced the socio-economic development of Donetsk Oblast and affected the activity of the VET system. Due to the occupation of part of the region, the number of VET institutions decreased by almost three times compared to 2013. Currently, there are 44 VET institutions under control of the Cabinet of Ministers of Ukraine on the territory of Donetsk Oblast, including 38 classic institutions of this type. Most of them are located in Mariupol and Kramatorsk. The total number of VET institutions remained almost unchanged during 2014-2019; however, the number of VET students and graduates decreased significantly (Table 1).

The production and educational specialization of the VET institutions in Donetsk Oblast was formed mainly under the influence of two factors - peculiarities of the regional economy structure and labour market needs. Most VET institutions are characterised by wide educational offer, which means they provide training for workers of different occupations. Agrarian (9 institutions), construction (3 institutions), mining (2 institutions) and other institutions belong to the specialized category. However, in recent years, a well-defined specialization has been violated in most cases. This situation echoes the 1990s, when training of new working professions enabled VET institutions to "survive" under the difficult conditions of a market economy. Therefore, some VET institutions of Donetsk Oblast can be considered specialized only conditionally, based on their name.

Table 1. Performance indicators of the VET institutions in Donetsk Oblast

Year	Number of institutions by the end of year, units	Number of VET students, thousand persons	Number of students enrolled in VET, thousand persons	Number of qualified graduates, thousand persons
2013	111	36,2	20,3	21,2
2014	44	13,8	7,1	7,8
2015	47	13	7,5	6,7
2016	46	12,6	7,2	6,2
2017	45	11,4	6	6,2
2018	44	10,6	6,7	6,3

In the VET system of Donetsk Oblast, the training of workers is conducted in 16 areas of economic activity, which consolidates more than 110 occupations. In most cases, the training is carried out in the integrated occupations, such as "cook, pastry chef" or "hairdresser, manicurist". The most widespread training in the VET institutions is training of workers in such areas of economic activity as "public catering" (22 institutions), "general occupations for electrical machinery" (20 institutions), "occupations common to all sectors of the economy" (19 institutions) and "motor transport" (16 institutions). However, the training of workers in the field of metallurgical production, production of artistic items and jewellery, forestry is carried out only in several VET institutions. Primary data analysis showed that VET institutions not always provide training in all the licensed specialties they have.

Similar imbalance can be observed in the distribution of vocational occupations. Thus, the preparation and training of electric and gas welders are conducted in nine VET institutions, wheeled vehicle maintenance technicians (in various combinations) – in 13 institutions, cooks and pastry chefs – in 19 VET institutions.

These features of worker training exist at the level of settlements. Occupation "cook, pastry chef" can be obtained in the VET institutions of 12 settlements of the Oblast, "hairdresser-stylist, manicurist" - in six settlements, "rigger, converter steelworker assistant" - only in Mariupol.

The analysis of the quantity and dynamics of the VET graduates of Donetsk Oblast indicates the existence of certain trends formed recently under the influence of the labour market and economic development of the region. The following occupations were leading in terms of the number of graduates in 2017-2018: "cook, pastry chef" (almost 650 people), "wheeled vehicle maintenance technicians", "hairdresser-stylist" (430 people each), "tractor driver, vehicle maintenance technician, category C driver" (over 300 people), "electric and gas welder" (over 220 people). The dynamics of the number of graduates in 2013-2018 indicates the increase of activities of the tertiary sector of economy. Meanwhile, the reduction in the number of graduates exceeded 45 % in the sectors of economy traditionally dominant in Donetsk Oblast such as metallurgical production and railway transport.

The regional distribution of VET institutions graduates is closely related to the population of those settlements where these educational institutions are located. In general, the largest number of vocational education graduates is in Mariupol (almost 1000 people), Kramatorsk (704 people), Sloviansk (350 people), Kostiantynivka (245 people) and Bakhmut (257 people). These cities account for more than 64% of the total number of the VET institutions graduates in Donetsk Oblast. However, the number of graduates does not exceed 50 people in Avdiivka, Rodynske, Bilytske, Siversk, Hirnyk, Krasnogorivka and Soledar.

Training of workers in the VET system should meet the needs of the regional labour market. According to a survey of employers conducted by the regional employment service, the largest number of vacancies in 2019 are among such occupations as seller of food and non-food goods, vehicle driver, fitter-repairman, turner, electrical equipment maintenance technician, underground fitter, underground equipment technician, underground miner. These jobs are offered by powerful industrial enterprises, mine administrations and mines. High workforce demand of enterprises is misleading, since vacancies appear because of high staff turnover, resignations due to insecure work and wage arrears. It is notable that with all the job vacancies available there are a large number of unemployed workers with the relevant qualifications. The analysis shows a certain imbalance between the directions of workers training and the demand in specialists in the labour market, especially at the level of city employment offices.

The importance of economic performance indicators of the VET institutions has increased significantly in recent years, as the financing of the vocational education system is provided mainly from the regional budget. The amount of financial resources allocated annually to the VET system is growing. Thus, for 2015-2019 the total budget of the VET institutions in Donetsk Oblast increased from UAH 240,9 million to UAH 450 million. Since, along with the growth of expenditures, there was a decrease in the number of the VET students, this led to an increase of financial costs per student from UAH 21,5 thousand in 2015 to UAH 48,1 thousand in 2019. In general, though not always, there is a pattern that the more people study in the VET institution, the lower the financial cost per student is.

In the structure of expenditures on educational activities almost 2/3 of them are spent on salaries. Utility financing is maintained at 11-12 %. The repair and the material and technical resources costs are the lowest. In recent years, they have almost halved. Such a cost structure indicates negative trends in the development of the VET system.

The disparities of financial costs between specific VET institutions for training of specialists of the same occupation are quite significant. In some cases, the difference can go up to two or more times. Thus, the financial cost of training workers in the occupation "cook, pastry chef" at the state-owned «Mariupol Centre for Vocational and Technical Education» makes UAH 22,8 thousand, while at the state-owned «Kramatorsk Higher Vocational Trade and Culinary School» – over UAH 96 thousand.

In recent years the VET system of Donetsk Oblast has been gradually reformed. The dual training is introduced in 20 VET institutions and covers nearly 50 vocational occupations. The process of establishing of three training and practical centres is ongoing on the basis of the state-owned «Kramatorsk Centre for Technical and Vocational Education», Mariupol Higher Metallurgical Vocational School and Kramatorsk Higher Vocational School. Donetsk Oblast participated in the competition of projects for the creation of centres of excellence. Kramatorsk Higher Vocational School, Mariupol Higher Metallurgical Vocational School and Velyka Novosilka Vocational Lyceum applied for this status. Unfortunately, according to the results of the competition, the oblast was not in the list of the areas where such centres would be created with the financial support from international

donors. By the Order of the Ministry of Education and Science of Ukraine Nº 1133 of 20.08.2019, state-owned «Kramatorsk Centre of Technical and Vocational Education», Mariupol Higher Metallurgical Vocational School and Mariupol Motor Transport Vocational Lyceum were approved as the VET centres for the organization of internships for supervisors of on-the-job training, vocational education teachers and vocational and theoretical educators.

Donetsk Oblast has a number of VET institutions which differ significantly from each other in terms of development. To evaluate the prospects of their further activity, to establish training and practical centres and centres of excellence on their basis, the ranking of the VET institutions of Donetsk Oblast was determined. The ranking was performed separately for agrarian and non-agrarian vocational institutions. The informational basis for ranking was the official performance indicators of the VET institutions, including number of students, number of graduates, proportion of unemployed graduates, etc. The number of people undergoing advanced training or retraining and the financial costs to prepare one student were taken into account. For agricultural VET institutions, such indicator as nett income from agricultural activity per 1 hectare of farmland was additionally used. In terms of the integral index of development, the leaders among agricultural VET institutions are Velyka Novosilka Vocational Lyceum, state-owned «Bakhmut Vocational Agricultural Lyceum» and Volnovakha Vocational School, among non-agrarian - Kramatorsk Higher Vocational School, Sloviansk Kryvonos Multidisciplinary Regional Centre for Vocational Education and Selydove Vocational Lyceum.

Assessment of the current state of development of the Donetsk Oblast VET system enabled to identify the main problems of its activity (Table 2), and SWOT analysis - to identify key strategic and operational goals of its reform.

Table 2. Main issues of the VET system of Donetsk Oblast

Nº	Issue			
1.	Outdated material and technical resources that do not meet the current requirements			
2.	Unsatisfactory conditions for training, accommodation and entertainment of students in most VET institutions			
3.	Reduction of the number of vocational students and graduates, increase of the share of small-scale VET institutions			
4.	Outdated content, structure and methods of workers training, preservation of Soviet system of vocational education			
5.	Focus of VET institutions on the training of workers as in the late 20th century.			
6.	Discrepancy between the directions of training, the number of the VET graduates and the needs of the regional labour market			
7.	Duplication of training, violation of educational specialization by most VET institutions			
8.	Unresolved problem of graduates' employment, including those who have signed agreements with enterprises			
9.	Absence of successful examples of the VET institutions reform, dominance of paternalistic attitudes among heads of educational institutions			
10.	Loss of attractiveness of vocational education, fall in			

prestige of the VET institutions

STRATEGIC, OPERATIONAL GOALS AND OBJECTIVES OF THE REGIONAL STRATEGY TO REFORM THE VET SYSTEM OF DONETSK OBLAST

The need to reform the VET system of Donetsk Oblast is obvious. However, it requires legislative changes at the state level. Unfortunately, the Law of Ukraine "On vocational (vocational and technical) education" has not been adopted yet. The updated version of the draft law was approved by the Cabinet of Ministers but has not yet been considered by the Verkhovna Rada of Ukraine. At the same time, in the last two or three years, a number of normative documents, regulations, orders, programmes and concepts related to various aspects of the VET system activity have been developed, approved and implemented in Ukraine. They include modern approaches to reform of the VET system in Ukraine, which comply with European and world practices in modernization of vocational education. We should also point out the Concept of modern vocational (vocational and technical) education for the period up to 2027, as well as the draft order of the Cabinet of Ministers of Ukraine "On approval of the action plan for 2019-2027 on the introduction of the Concept of state policy implementation in the field of vocational (vocational-technical) education". At present, we can conclude that in general Ukraine has formed a sufficient legislative base to reform the VET system in the regions of the country. These circumstances, trends and tendencies of the course of the world economic processes, modern changes in the socio-economic development of Ukraine make the conceptual framework around which the perspective vision of the VET system of Donetsk Oblast, as well as the Strategy of its reform, has been developed.

The purpose of the Strategy is to reform the existing VET system taking into account the best world practices, to increase its efficiency, the quality of training, to create conditions for employment of young people and adults, to ensure their inclusion in the regional labour market and socially useful activities.

The Strategy is based on the following principles:

- 1. quality;
- 2. relevance;
- 3. partnership (common approach);
- 4. decentralization;
- 5. subjective orientation;
- 6. inclusivity and justice;
- 7. institutional and programme diversity;
- 8. efficiency and accountability.

The regional Strategy for reforming the VET system of Donetsk Oblast can be implemented because:

- at the national level, a proper legislative basis has been created to allow the process of reforming the VET system of some regions to begin;
- at the level of central and regional authorities, there is awareness of the need to reform the VET system and a clear vision of the ways of its implementation;
- EU, international organizations actively assist central and regional authorities in developing mechanisms for the modernization of VET;
- in recent years, employers have shown interest in changing approaches to the training of workers in the VET system of Donetsk Oblast, who, on the one hand, experience a shortage of specialists, on the other hand, are dissatisfied with the graduates' qualifications and the training system;
- elements of dual form of education are being introduced actively in Donetsk Oblast, the process of training and practical centres creation has started, preparation for the centres of excellence establishment is ongoing;
- most heads of the region's VET institutions realize the need for change, although they treat this process with caution and reservations;
- Donetsk Oblast State Administration is interested in the VET system reform, since a regional order for training of workers is formed with its participation and the financing of vocational education is provided from the regional budget;
- the need for reform in the VET system of the region is also recognized by ordinary citizens, future vocational students and their parents, since the external look of VET institutions and forms and programmes of study do not meet modern requirements and affect negatively the image of vocational education.

Taking into account the peculiarities of the current state of development of the region's VET system, its problems, the course of demographic and economic processes, four strategic goals of reforming vocational education of Donetsk Oblast have been identified (Chart 1). Each of them includes several operational objectives, specific tasks, mechanisms for their implementation and expected results.

Strategic goal Nº 1 «Modernization of content, quality assurance of education, formation of modern educational environment» is one of the most important in the structure of strategic priorities for reforming the VET system of the region. It contains four objectives that cover a wide range of tasks - from modernization of educational environment to formation of modern quality assurance system of VET.

The importance of this strategic goal is determined by the need for a fundamental update of the structure and content of the educational process, which have remained since the Soviet era. They do not meet modern requirements, in particular the process of transition to competency-based learning, and do not take into account the possibility of differentiated duration of training of various categories of vocational education applicants.

Updating the content of education includes a wide variety of tasks and specific mechanisms, including the introduction of new professional and educational standards with a competency-based approach, modernization of the methodology and development of educational syllabi, curricula, training programmes, unification of curricula for the same-type occupations, preparation of new textbooks, incl. electronic, licensing new occupations, etc.

New educational curricula should be developed on a modular competency approach that ensures:

- a. flexibility of educational process;
- b. focus of learning on the result;
- **c.** tracking of intermediate learning outcomes, adjusting them if necessary;
- d. acquisition of certain competencies in the short term of study;
- **e.** universality of modules implementation for different target groups;
 - f. a lifelong learning orientation.

The modular competency approach means changing the logic of the content and organization of the learning process, in particular the transition from knowledge acquisition through the study of subjects to the acquisition of competencies defined by employers and educators during the research of work processes.

The modernization of educational environment in the traditional meaning of the term also includes a wide range of issues. The VET institutions of Donetsk Oblast do not have relevant experience in forming modern educational environment. This fact has caused the necessity to develop the concept of its formation, to create information environment in the VET institutions, introduce innovative approaches to the study of professional subjects and to have training and production practice. Equally important are the renovation of the external look of the VET institutions, the modernization of the material resources and the educational space in which the professional and personal development of the vocational student takes place, etc. Much attention should be paid to the creation of a barrier-free space and ensuring proper conditions for the inclusive education of people with special needs.

It is impossible to modernize the content and forms of training, to ensure the transition to the new standards without reforming the staff training system for vocational education. Currently, the teaching staff of the region's

VET institutions are not prepared for changing the methods and content of education in compliance with modern requirements. All this necessitates the modernization of the staff training system, first of all, through advanced training and retraining. This should be facilitated by a new procedure for advanced training of teaching and academic staff, as well as by the list of the VET institutions for the organization of internships for supervisors of on-the-job training, vocational teachers and vocational and theoretical educators, approved by the Ministry of Education and Science of Ukraine. Such institutions as state-owned Mariupol Higher Metallurgical Vocational School and state-owned Kramatorsk Centre of Technical and Vocational Education have been chosen in Donetsk Oblast for this purpose. However, these steps are not enough. Modern advanced training programmes for staff, supervisors of on-the-job training should be developed, conditions for internships abroad should be created, and a network of centres for advanced training in their region should be expanded. It is also important to engage young educators, creative headmasters in the VET institutions work, as well as to enhance the social protection of vocational education staff.

Changes in the forms and methods of training in the VET system and the transition to a modular competency approach require updating the system of learning outcomes assessment. This update means transition from evaluation of knowledge and skills to an integrated and independent assessment of competencies acquired not only through formal education but also through non-formal education or work experience. The problem is that the VET institutions have only begun work on updating the content of education, and the reform of the system of education quality has not yet taken place. Currently, there is no experience of assessing the competencies of those who have acquired them through non-formal training or work experience. Constant complaints of employers about the low quality of workers' qualification, their inability to work in production prove the necessity to modernize the system of education quality. Moreover, there is a need to monitor the quality of vocational education. It is equally important to engage employers in the development of an internal and an external system for assessing the quality of education. The creation and accreditation of centres for assessment of competencies obtained through non-formal learning and work experience are the new task for region's VET system.

Strategic goal Nº 2 «Decentralization of financing and management, optimization of the VET institutions network» has four objectives. Today, the decentralization process has covered various aspects of the life of Ukrainian society. In the VET system it opens the way to building an effective dialogue between VET institutions, employers and local authorities. VET is funded mainly from regional budgets; therefore, regional authorities are interested in optimizing the network of vocational education institutions, in training only those specialists who are in demand on the regional labour market. Unfortunately, the current system of labour market analysis is not perfect. Thus, sometimes there is training for occupations that are not in demand on the labour market.

Chart 1. Strategic priorities and objectives of the regional Strategy for reforming the VET system of Donetsk Oblast

Strategic goal 1.

Modernization of content, quality assurance of education, formation of modern educational environment

Objective 1.1.

Update of the VET content on a competency basis

Objective 1.2.

Modernization of educational environment

Objective 1.3.

Reform of the staff preparation system for VET

Objective 1.4.

Formation of education quality assurance system

Strategic goal 2.

Decentralization of financing and management, optimization of the VET institutions network

Objective 2.1.

Reform of VET Management System

Objective 2.2.

Improvement of the VET financing system

Objective 2.3.

Improvement of the system of regional order formation considering the state of the labour market

Objective 2.4.

Optimization of the VET institutions network and creation of modern centres of vocational education

Strategic goal 3.

Social Partnership in the field of VET, formation of flexible and mobile educational directions in compliance with the labour market needs

Objective 3.1.

Provision of training in compliance with the National Qualifications System, formation of uniform qualification requirements for the same-type specialties in all VET institutions

Objective 3.2.

Creation of proper conditions for the recognition of nonformal and informal education

Objective 3.3.

Intensification of cooperation between VET institutions and enterprises / companies / firms to introduce dual training

Objective 3.4.

Strengthening cooperation between stakeholders in the field of labour market monitoring, implementation of mechanisms to stimulate employers to participate in the educational process

Strategic goal 4.

Promotion of VET and formation of a new image of a graduate of vocational education institution

Objective 4.1.

Diversification of forms of career guidance

Objective 4.2.

Re-branding of the VET institutions

Objective 4.3.

Improvement of social living conditions in the VET institutions

Objective 4.4.

Formation of a new image of the VET graduate

As experience of many European countries shows, decentralization is one of the real ways to optimize the financial expenses, strengthen the influence of regional authorities and employers on the development of the VET system. This approach encourages the local authorities to regularly monitor the labour market, take into account its features, dynamics when forming a regional order for workers training. An important task is to diversify financial resources, optimize the costs of the VET institutions maintenance, engage international donors' funds to the VET system, as well as objectively determine the cost of training staff of different occupations, considering the complexity of the specialty.

It is important to create supervisory boards and to activate the VET regional council in order to strengthen the interaction between local authorities and the VET system and to increase the efficiency of VET institutions. There are no supervisory boards in most VET institutions of the region. There is also no experience of creating such boards, clearly defined functions, directions of their activities, etc.

The Regional council of vocational education and training was established in Donetsk Oblast in 2017. Currently, it does not function properly, meetings are not regular. Given the adoption of new regulations, it is necessary either to update the composition of the Regional council of vocational education and training, or to form a new council. This will enable to influence the activities of the VET system of the region and have more impact on the formation of the regional order.

The most critical issue of reforming region's VET system is the optimization of its institutions network. Donetsk Oblast State Administration approved a phased programme of consolidation / merging of the VET institutions in 2017. However, it was not implemented due to various reasons, including opposition of the VET institutions staff, intervention of deputies, uncertainty of the political situation before the presidential and parliamentary elections. Given the problems and trends in the development of the VET system, the optimization of its institutions network is inevitable and this does not mean the deterioration of educational services.

Along with network optimization, another important direction of the VET system reform is the creation of training and practical centres and centres of excellence. For the period of up to 2027, it is advisable to establish in the region five new training and practical centres on the basis of state-owned Kostiantynivka Higher Vocational School (occupation chef, cook, waiter), Pokrovsk Vocational Lyceum (miner, underground fitter), Mariupol Vocational Motor Transport Lyceum (wheeled vehicle maintenance technicians, gas welder), Sloviansk Kryvonos Multidisciplinary Regional Centre for Vocational Education (machinery or railway profile) and state-owned «Bakhmut Centre for Technical and Vocational Education» (Seamstress). Formation of centres of excellence on the basis of Kramatorsk Higher Vocational School, Mariupol Higher Metallurgical Vocational School and Velyka Novosilka Vocational Lyceum remains relevant.

Strategic goal Nº 3 «Social Partnership in the field of VET, formation of flexible and mobile educational directions in compliance with the labour market needs». The development of social (public-private) partnership is one of the priority objectives of the Concept for the implementation of state policy in the field of vocational (vocational-technical) education for the period of up to 2027. This task is relevant both for the state in general and for its regions in particular. At the national level public-private partnership implies involvement of employers in the formation of the National Qualifications System, the creation of a National Qualifications Framework, the development of professional standards and educational curricula, the formation of public policy in the VET field. At the regional level, the tasks are more local, but equally important. Since not all vocational education standards have been developed so far, it seems logical to engage employers in creation of such standards for those occupations in which training is carried out in Donetsk Oblast. The situation is similar with the development of educational programmes, especially for the education and retraining or advanced training of adults.

In recent years part of the population, including adults, acquired certain qualifications and skills through non-formal and informal learning. However, there is currently no system of centres in the region for assessing acquired qualifications, recognition of non-formal and informal education. In order to implement this objective, which will improve the situation in the labour market, it is necessary to develop assessment criteria and establish qualification centres for the evaluation and recognition of non-formal and informal education. These objectives are new to the VET system of the region.

Involving employers in solving problems in the VET development meets their interests. Employers complain about the inability of the VET system of the region to provide graduates with the basic skills necessary for successful work, the mismatch of vocational education volumes and directions with the needs of the economy and the labour market, the poor quality of vocational training. Therefore, the maximum involvement of employers in the training system will help to eliminate these issues.

Basic enterprises for which VET institutions train the workforce can provide training centres, modern equipment, and conduct training for vocational education students in real workplaces. Without involvement of employers, it is impossible to solve the issue of developing dual form of education. It has already been implemented in 20 VET institutions in the region, but a number of issues still need to be addressed.

The VET system is focused on fulfilling a regional order for workers training. It should consider the peculiarities and needs of the labour market which, in fact, is formed by the business entities. It is almost impossible to obtain objective information about the needs for specialists in different occupations without the involvement of employers. This is especially true for small and medium-sized enterprises, small companies and firms that are hardly involved in gathering information on existing vacancies.

Therefore, in this respect, the cooperation of the VET system and employers, as well as representatives of regional authorities, is extremely important. It is also necessary to encourage employers to participate actively in the educational process.

Strategic goal Nº 4 «Promotion of VET and formation of a new image of graduate of a vocational education institution». The decline in the prestige of the VET system has lasted for many years and has now become an acute problem, the consequence of which is the reduction in the number of vocational education students, the number of skilled workers, and the shortage of professional staff in the labour market of most regions in Ukraine. Among the reasons that hinder the development of VET, the negative image of vocational education institutions takes a special place. Traditionally the weakest students in the general education system or representatives of socially vulnerable and disadvantaged population are considered to enter VET institutions. The negative image is also connected with the outdated idea of factory workers, which is still preserved in the cultural tradition of the region since the Soviet era. Politicians, employers, parents and children share this negative view. All this determines the choice of students and their families not in favour of vocational education. Therefore, the promotion and formation of a positive image of the VET system is one of the key strategic goals of the Strategy.

Among a range of measures to restore confidence in the VET system, career guidance is of great importance. Its relevance is increasing, as the real battle for applicants continues in the educational services market. For many years in Ukraine, a well-established practice of career guidance has been formed, but in modern conditions it does not fulfil its functions and needs updating. Diversification of career guidance forms is a difficult task, since it requires non-standard solutions in this field. The focus in the process of career guidance modernization should be on the use of information technology, since young people receive most of information not from television or newspapers, but from social networks, Internet and so on.

Rebranding of the VET institutions will help to break down the negative stereotypical vision of the vocational education system. A number of tasks need to be accomplished to achieve this goal, the main ones are updating and modernization of the VET institutions websites, the production of promotional materials to visualize the new image of VET institutions, the development of social advertising to present the benefits of updated vocational education.

The negative image of the VET institutions is largely caused by the conditions in which vocational education students have to study and live. Personal observations of the VET institutions and the results of the survey of VET students indicate that social and living conditions need significant improvement. The traditional problems of the dormitories revealed during the visit to the VET institutions are the lack of repair, old furniture, bad kitchens, absence of hot water, rooms where 10-12 people live. The situation with opportunities for entertainment and

sports is similar. Therefore, providing proper conditions for training and accommodation of vocational students is one of the priority goals of the VET system reform Strategy.

Forming a new image of a vocational institution graduate is another important issue among a wide range of measures to promote VET. People, especially in Donetsk Oblast, associate a VET graduate with a typical representative of the working-class of industrial age. Such stereotypes need to be broken. VET graduate should be perceived as a professionally successful person, a well-rounded personality who has the appropriate level of competencies to enable him or her to find a place on the current job market. The formation of a new image of a VET graduate is a rather complicated and long-term goal, which involves performing a number of tasks, from concept development and ending with the social protection system.

FINANCIAL AND ECONOMIC ISSUES OF THE REGIONAL STRATEGY FOR THE VET SYSTEM OF DONETSK OBLAST REFORM

Financial and economic issues play an important role in the process of the region's VET system reform. They are closely connected with the optimization of the VET institutions network, which, along with improving the quality of education, implies some savings of financial resources. Optimization of the VET institutions network is one of the objectives of the Concept of reforming the vocational education system of Ukraine for the period of up to 2027 approved by the Cabinet of Ministers of Ukraine. However, at the national and regional levels, this process is more spontaneous than systematic. One of the main reasons is the lack of clear criteria for the VET institutions optimization.

Considering the current situation in the development of the region's VET, the dynamics of economic, demographic and social indicators, features of the spatial organization of the vocational education system, directions and specialties of training, we can offer the following criteria for optimization of the network of vocational education institutions in Donetsk Oblast:

- 1. The number of the VET students is at least 400 people.
- 2. The number of directions of economic activity is not less than three.
 - 3. The number of occupations is not less than 10.
- **4.** The financial expenses per one VET student is not more than UAH 50 thousand.
- 5. The availability of a dormitory, canteen, sports ground.
- **6.** Access to training facilities for people with special needs.
 - 7. Modern material and technical resources.
 - 8. Convenient transport accessibility

Since network optimization is planned for a rather long period, only some of the criteria will be involved in the initial stage of its implementation. The preliminary analysis showed that it is almost impossible to meet all the criteria in the first stage. For example, it is difficult to solve the problem of upgrading the material and technical resources in a relatively short period.

The Strategy has developed two options for optimization of the VET network in Donetsk Oblast. The first (Option A) is a stricter version of the VET institutions network optimization and it involves reduction of their number from 38 to 18 institutions (Table 3); the second (milder) from 38 to 21 institutions. In the first option, two institutions of vocational education will not meet the quantitative criteria of network optimization, in the second - six.

Rough estimates indicate that the total budget of those institutions that are proposed for optimization is UAH 177,6 million (39,5 % of the total budget). Most of these funds should logically be directed to the maintenance of new VET institutions, in particular to the updating of their facilities, repairs, providing appropriate social living conditions for the VET students.

Along with the optimization of the VET institutions network, the selection of the best specialization of vocational institution from the economic point of view and the labour market needs is also essential. The situation when multi-disciplinary VET institutions within the same city conduct training of the same-type occupations seems not quite correct. However, now it is difficult to determine the optimal specialization of the VET institutions. The minimum values of financial expenditures for the workers training of a certain occupation can be an indicator. It seems logical to concentrate on the workers training of a particular occupation in those institutions where the costs of these specialists' training are minimal. Following this logic, it is possible to determine roughly the amount of financial resources that can be saved if the region's minimal cost of training one VET student is taken as the basis for evaluating the workers training. For example, the training in the occupation "cook, pastry chef" is carried out by 19 VET institutions. If the costs of training per student were minimal in all institutions where the training in the occupation "cook, pastry chef" was held, then the total cost would decrease from the current UAH 82,4 to 37 million. If this approach were applied to all occupations in Donetsk Oblast, the reduction of financial costs from UAH 450 to 340,4 million could be expected.

A survey was conducted at the VET institutions of Donetsk Oblast in order to assess the financial needs for the modernization of the educational environment. 34 vocational institutions out of 38 provided information. In total, they estimated their financial needs at UAH 212,5 million. The state-owned «Bakhmut Centre for Technical and Vocational Education» has the maximum value of this indicator - UAH 31,4 million, and Rodynske Vocational Lyceum - the minimal one of only UAH 80 thousand. The largest amount of financial resources is needed for the repair of educational buildings, workshops and dormitories; canteens and sports grounds - 36 % and 37 % respectively. However, VET institutions require only UAH 39,5 million (18,6 %) of the total amount to purchase new equipment, devices and tools. This indicates that the repair of educational buildings, workshops and social

Table 3. Option of optimization of the VET institutions network of Donetsk Oblast (option A)

Name of the VET institution	VET Institutions to be attached	Number of VET students, persons (as of 2019)	Budget per one VET student, thousand UAH (in 2019 prices)
State-owned «Bakhmut Centre For Technical And Vocational Education»	Soledar Vocational Lyceum	452	58,6
State-owned «Kostiantynivka Higher Vocational School»	Kostiantynivka Vocational Construction Lyceum	544	48,5
Sloviansk Kryvonos Multidisciplinary Regional Centre for Vocational Education	Sloviansk Vocational Machinery Lyceum, Lyman Vocational School	851	42,2
Kurakhove Vocational Lyceum	Hirnyk Vocational Lyceum, Krasnohorivka Higher Vocational School	402	61,4
Selydove Vocational Lyceum	Avdiivka Vocational School	424	40,4
Toretsk Vocational Lyceum	Toretsk Vocational Mining Lyceum, state- owned «Druzhkivka Vocational Lyceum»	381	56,3
State-owned «Mariupol Centre for Vocational and Technical Education»	Mariupol Vocational Services Lyceum, Mariupol Vocational Services and Trade Lyceum	733	39,5
Mariupol Vocational Machinery Lyceum	Mariupol Vocational Construction Lyceum	568	43,4
Mariupol Vocational Motor Transport Lyceum	Mariupol Vocational Lyceum	451	52,6
Pokrovsk Vocational Lyceum	Rodynske Vocational Lyceum, state- owned «Bilytske Vocational Lyceum»	479	43,4
State-owned «Myrnohrad Vocational Mining Lyceum»	Bilozersk Vocational Mining Lyceum	494	37,9
State-owned «Kramatorsk Higher Vocational Metallurgic School»	State-owned «Interregional Higher Construction School»	616	44,6
State-owned «Bakhmut Vocational Agricultural Lyceum»	Siversk Agricultural Lyceum	432	46,4
Velyka Novosilka Vocational Lyceum	Volnovakha Vocational School, Mariupol Vocational Agrarian Lyceum	482	70,7
State-owned «Kramatorsk Centre of Technical and Vocational Education»	State-owned «Kramatorsk Higher Vocational Trade and Culinary School»	501	64,8
Oleksandrivka Vocational Agrarian Lyceum	State-owned «Sloviansk Vocational Agrarian Lyceum»	340	49,9
Kramatorsk Higher Vocational School		735	36,3
Mariupol Higher Metallurgical Vocational School	-	467	47,3
Total		9352	48,1

infrastructure facilities are more urgent task for the VET institutions at present.

The financial needs for the creation of training and practical centres and centres of excellence are even greater. Thus, the creation of only three centres of excellence on the basis of Kramatorsk Higher Vocational School, Mariupol Higher Metallurgical Vocational School and Velyka Novosilka Vocational Lyceum requires about UAH 437 million.

STAGES OF THE STRATEGY IMPLEMENTATION, EXPECTED RESULTS AND MONITORING OF ITS PERFORMANCE

Taking into account the regulatory documents approved in 2018-2019, in particular the Concept of state policy implementation in the field of vocational (vocational-technical) education "Modern vocational (vocational-technical) education for the period up to 2027", the draft order of the Cabinet of Ministers of Ukraine «On approval of the action plan for 2019-2027 on the introduction of the Concept of state policy implementation in the field of vocational (vocational-technical) education», the Strategy of reforming the VET system of Donetsk Oblast includes three stages.

During the first stage (2020-2021), a number of tasks needs to be implemented, which will enable the formation of a proper regulatory, financial and organizational framework for the region's VET system reform.

The second stage (2022-2024) involves a wide range of tasks for the reform of the region's VET system. During this stage it is necessary to complete the development of the competency-based curricula, to create supervisory boards at VET institutions, to continue the process of optimizing the educational institutions network and the establishment of training and practical centres, to form a system of monitoring of vocational education graduates, to complete the process of VET institutions rebranding, etc.

During the third stage (2025-2027), all objectives of the Strategy should be implemented: the process of the VET institutions network optimization completed, their optimal specialization determined, new training and practical centres and centres of excellence created, the workers training in new occupations started, a new image of the VET institutions and of vocational education system formed.

Implementation of the Strategy objectives for the reform of region's VET system, requires concentration and coordination of efforts of various institutions and public organizations. The Department of Education and Science of the Donetsk Oblast State Administration is responsible for the implementation of the Strategy objectives for the reform of the VET system. Considering the complexity and multidimensionality of the tasks, it is necessary to set up a coordination council to monitor and control the implementation of the VET system reform Strategy. It should include representatives of the VET institutions, the educational and methodological centre of vocational education in Donetsk Oblast, the state employment service of the region, the regional council of vocational education and employers on a voluntary basis.

Monitoring the implementation of the Strategy objectives of the VET system reform is one of its compulsory elements. The purpose of the monitoring is to evaluate the state of Strategy implementation in order to prevent undesirable consequences or deviations from the set course of reforms. The Strategy monitoring should include several areas:

- 1. monitoring of the external environment, in particular changes in the economic and social development of the country, the legal framework in the field of vocational education, the situation in the labour market, etc.;
- 2. monitoring of the internal environment, first of all, changes in the structure of the regional economy, in the labour market, in the course of demographic processes;
- 3. monitoring of Strategy objectives implementation, in particular the approved plan and the results achieved.

Based on the results of the monitoring, annually the Department of Education and Science of Donetsk Oblast State Administration, together with the members of the coordination council, organizes a discussion of the Strategy objectives implementation in terms of strategic, operational goals and specific objectives, as well as the results achieved.

