

A photograph of a large industrial robotic arm, likely an ABB model, in a factory environment. The arm is white and grey, with a yellow 'ABB' logo on its side. It is positioned over a conveyor belt system. In the background, there are green ceramic bowls or containers on the conveyor. The scene is lit with industrial lighting, and the overall atmosphere is one of a busy manufacturing facility.

A tentative success

On public-private partnerships
in Dutch vocational education

Pieter Moerman

summary of thesis

“governance regimes and problem-solving capacity:
Public-private partnerships in Dutch vocational and higher education”

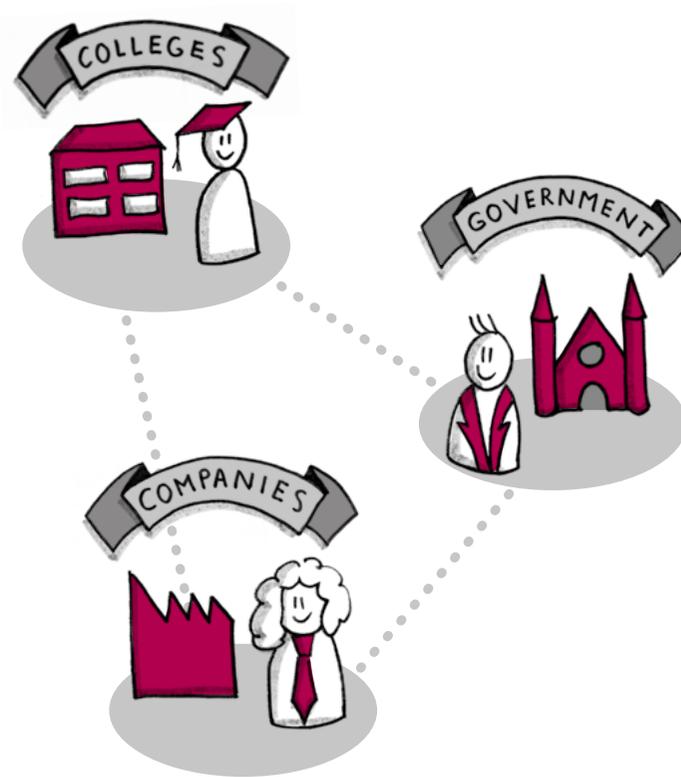
Introduction

In these turbulent times, how should the government go about achieving major public-policy goals like a better education system, in the face of dramatic technological and social change? That is the **question** that underlies this thesis, which considers a large-scale experiment involving vocational education that could provide some answers.

Governments usually choose policies that involve imposing top-down rules that all public servants – teachers, in this instance – have to comply with. Or they set targets, such as reducing the number of students who drop out, and then make the educational institutions responsible for achieving those targets.

But these methods regularly end in **failure**: the top-down rules become goals in their own right, or the large differences between urban areas and rural areas mean that the targets turn out completely differently than expected. Both approaches are unworkable, argue many schools, companies and academics.

But is there an alternative?



WHAT DOES PUBLIC-PRIVATE PARTNERSHIP MEAN?

The essence of a public-private partnership is that it involves results that colleges or companies could never hope to achieve alone. In practical terms, that could mean:

- A jointly funded location where both regular education and ongoing employee training can take place;
- Employees who teach lessons during a training program, on a regular or incidental basis, so that students receive better teaching, the employees continue to develop and the company and school work closely together on a continuous basis;
- Launching research projects in which students and employees work together on innovations, so that student receive better education and the company can apply these innovations in practice.

A public-private partnership is defined as a "more or less sustainable cooperation between public and private actors in which joint products and/or services are developed and in which risks, costs and profits are shared".

THE THREE EXPERIMENTS WERE:

- A €40-million pilot scheme for Centers of Expertise (HBO) and Centers for Innovative Craftsmanship (MBO)¹. Characterized by individual performance agreements at the start based on the principles of new public management, with a transition to a network approach (PBT approach) halfway through.
- A Regional Investment Fund for MBO of €125 million.² Characterized by a relatively high number of rules and procedures based on the principles of bureaucracy (RIF approach).
- €80 million for Centers of Expertise as part of the higher education performance agreements experiment.³ Characterized by a network approach (RCHO approach).

1. This scheme was implemented between 2011-2016 by Platform Beta Techniek (PBT, now known as Platform Talent for Technology) on behalf of the Ministry of Education, Culture and Science and the Ministry of Economic Affairs and Climate.
2. The scheme was carried out by DUS-i (the executive agency of the Ministry of Education, Culture and Science) between 2012-2017, with an accompanying learning program provided by PBT, on behalf of the Ministry of Education, Culture and Science.
3. This funding was achieved by allocating 2% from a lump sum and was carried out by the Review Committee for Higher Education and Research (RCHO), with an accompanying learning program provided by PBT, on behalf of the Ministry of Education, Culture and Science.

Improving the fit between the education sector and the needs of the labor market

This thesis focuses on the fit between education and the needs of the labor market. This is something that the government has wanted to improve for many years, but has never known exactly how to achieve this. But in its search for answers it has been experimenting extensively with new approaches. Those experiments provided the perfect opportunity for case-based research. The gap between education and business is growing due to rapid technological and societal developments. One million jobs are expected to undergo significant change in the coming years and decades, due to increasing digitization and automation. The COVID-19 pandemic has accelerated that process of change, placing additional pressure on continuing education and retraining. All of this has significant consequences for vocational education.

The government launched three experiments between 2011-2016 in order to tackle these issues. All of them focused on establishing regional public-private partnerships (PPP) involving vocational education colleges (MBO⁴ and HBO⁵) and companies.

4. VET colleges, offering secondary Vocational Education and Training (MBO)
5. Universities of Applied Science, offering Higher Professional Education (HBO)

SUCCESS OR FAILURE

- Almost 20% of the proposed activities for which funding was received were never carried out.
- According to the partners, 25% of their activities were an immediate success. That percentage rose to 40% after several years of problem solving.
- 21% of the activities failed during the project period and were canceled.
- 20% of activities were conceived during the project period. Two thirds of those aimed to improve mainstream education.

The distinguishing features of all three [experiments](#) were:

1. The government provided a substantial financial incentive for achieving long-term cooperation between the schools and the companies;
2. The schools and companies were given a great deal of freedom to choose the goals of their partnership and the activities that they would engage in. There were few rules, procedures or targets, other than that the partners needed to cooperate and contribute financially;
3. There was a great deal of emphasis on [learning, experimenting and developing](#), with new approaches being tried out in each experiment, such as learning programs, peer reviews and 'critical friends'. However, the 'traditional' approach to oversight did not disappear when it came to assessment methods and monitoring methods; this often conflicted with the new approach.

There were also significant [differences](#) between the three approaches that were compared. For example, the RIF approach was characterized by its many rules and procedures, and the RCHO approach was characterized by its network approach with two overarching performance agreements. Finally, the PBT approach started out with individual performance agreements, but later switched to a learning network approach.



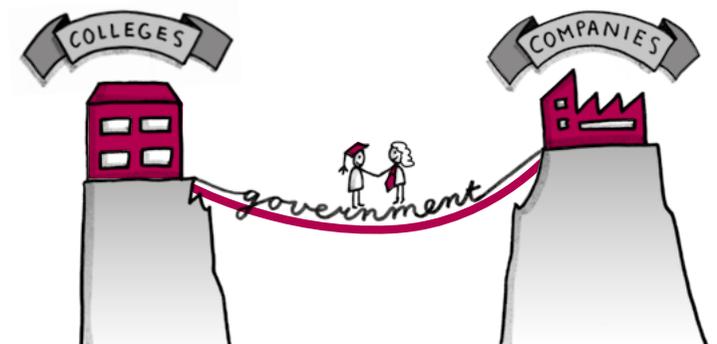
The research

How do you get schools and companies to work together to [solve problems](#)? To proactively formulate their own goals, embark on new activities together and then actually implement, evaluate and improve those activities? In other words, to truly solve problems. Previous research has shown that this is the biggest challenge: people are so used to the established patterns of behavior that they quickly revert to them, only adapting their old behaviors to the new situation to a limited extent. And as a result, the results they achieve are hardly ever enough to constitute a truly new approach.

Unfortunately, the way in which the government supervise such processes generally does nothing to help people change those old patterns of behavior, and can often [reinforce](#) them. People simply carry on trying to apply the rules to their own advantage, telling 'white lies' or engaging in 'window dressing', or sticking to the rules so rigidly that they completely miss the goal that they were supposed to be achieving. One particularly revealing [example](#) of this is the way in which the minimum-hours standard, which was introduced into MBO education a few years ago, was enforced. Before long, pupils were required to stay at school for a minimum number of hours simply to ensure that the standard was met, even though they were not actually attending any classes.

This is human nature, unfortunately. Unless people are made to fundamentally change their own behavior, they do not change. And certainly not when they are being asked to achieve complex goals that are both difficult to interpret and difficult to measure ('[wicked problems](#)'), such as improving the fit between education and the needs of the business community.

This brings us to the [key question](#) in this research: **do experiments that focus specifically on learning and development to varying degrees succeed in getting schools and companies work together to solve problems?** One particular concept that is based specifically on combining learning and accountability was examined more closely: [experimentalist governance](#).



Results

The government's experimental set-up was a [partial success](#) and this is a cause for celebration. Due to the financial incentives and their determination to work together and share costs, schools and companies did actually begin to work actively together, setting their own objectives and choosing their own activities. The learning program played an important role in this, because it helped the schools and companies to enter learning and experimentation mode. As a result, according to the participants themselves, over 60% of their activities were successful, new activities emerged, demonstrable learning took place and problems were solved during the project. What is more, most of the partnerships formed still exist today: even after the extra financial incentives disappeared, they continue to be active. A great result.

But there is also a [downside](#): the strongest partner in the partnership – the educational institution – ended up wielding disproportionate influence over the activities that were chosen. As a result, more and more of those activities focused on the core task of education, namely improving education. The traditional relationship between government and education reinforced this effect significantly: the schools received the funding, drafted the plans and were held accountable, resulting in risk-averse behavior. In addition, any activities outside the comfort zone of education, particularly activities relating to life-long learning, were neglected or canceled during the period studied. There was the least risk-averse behavior under the PBT approach, in which learning and accountability were combined the most closely.

RESEARCH METHOD

Three [research methods](#) were used:

- A large-scale quantitative analysis, in which all activities (an average 17) of 48 PPPs (spread across all the three experiments), over a period of four to five years, were analyzed (8,301 data points, with chronological series).
- Three [case studies](#), one for each experiment, to help clarify the results of the quantitative analysis. The basis for this consisted of 47 interviews that were conducted while the projects were ongoing.
- Twelve in-depth [interviews](#), to find out the opinions and ideas of project leaders in particular: what did they think of the approach chosen by the government?

What can we learn from this?

One important question is, of course - what **effect** did the government have on the results achieved? And how it could have steered the partnerships in the right direction more effectively?

In the case of public-private partnerships, the aim is for schools and companies to set goals and decide on activities jointly, to fund these jointly, implement and evaluate them together, share the risks and continue their partnership over the longer term.

The following factors make a *negative* contribution:

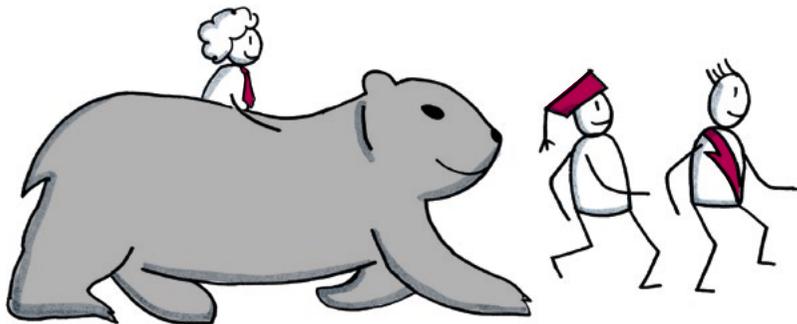
1. A one-sided focus on the relationship between the educational institution and the government: all the resources are allocated to the educational institution, the plan needs to be submitted by the educational institution, and it is the educational institution that is mainly held accountable. This undermines the original concept of a public-private partnership and increases the likelihood that the educational institution will become the dominant partner.
2. Instruments that echo the traditional roles played by the educational institution and the government: accountability with regard to funding (RIF), auditing (PBT), or administrative meetings (RCHO). The severity of this negative effect **varies**, depending on the project manager of the PPP: some more experienced project managers know how to use such instruments strategically, others see them as a 'necessary evil', while in a third group they had a demonstrably negative effect.

Practice has taught us that the negative aspects in particular are difficult to resolve: despite every good intention, state aid and accountability rules, for example, will ultimately take precedence. In practice, the positive aspects are often seen as 'optional extras' and are pushed lower down on the list of priorities than accountability.



The following factors make a *positive* contribution to this:

1. A strong financial and substantive incentive for public-private collaboration from the government, including joint goal-setting and funding. Given the existing 'traditional' patterns in both education and business, this will not happen of its own accord and people are likely to revert to the old patterns of behavior quickly. So it helps to bring these two very different worlds together in a 'compulsory' way, so that people can learn to understand each other better.
2. An emphasis on learning from each other and a focus on continuous development, in order to break through the normal reflexes of the hierarchical relationship between education and government. This goes much further than a simple discussion or keeping each other updated regarding plans: it must involve a structured learning process. This is essential, because it helps teaching staff and company employees look beyond their own organizations without fear of being punished. It allows them to leave behind the well-trodden pathways and gives them the permission to experiment and make mistakes. And in practice, it also mitigates some of the negative effects described above.



Experimentalist governance as the next step?

Experimentalist governance was deliberately included in the research because it aims to tackle precisely the challenges described above. Because although those challenges demonstrate that traditional accountability mechanisms can often backfire, information on progress is naturally still needed. Solutions to problems can also end up taking you 'in the wrong direction': a new solution is not automatically an improvement on the previous situation.

The following [characteristics](#), taken from experimentalist governance, are crucial when the government decides to invest in projects that involve public and private actors working together (although experimentalist governance can also be applied to the public sector alone):

- Monitoring, experimentation and collective learning ([peer reviews](#)) are closely intertwined. You will not be judged if you consciously choose to depart from the beaten track; rather, you will be given the opportunity to demonstrate that this works better. This process of monitoring and learning is more demanding than providing a cursory justification of funding, and it is ultimately much more productive too. But it requires a significant departure from what people are used to. Particularly in public-private projects that involve both businesses and educational institutions, this could provide the perfect antidote to the traditional 'accountability reflex' in education;
- A feedback loop is established; the results of the peer reviews play an important role in revising or improving the policy. In other words, there are fewer outsiders drawing up audit reports, which are always colored by the accountability reflex mentioned previously, and more information about what is actually going well or badly, and which new approaches have been tried.

Both elements remain limited when it comes to the theme of education and the labor market. Fortunately, positive developments are underway in practice.

- In HBO, for example, the concept of peer reviews has been implemented in public-private partnerships, a mandatory element every four years at Centers of Expertise;
- In MBO, traditional progress reporting is being combined with peer reviews for the Regional Investment Fund for MBO;
- And in Europe, ['support services'](#) are explicitly being set up together with funding for Centers of Vocational Excellence, where a peer learning concept is also being developed.

Far too little is known about these developments in practice and their impact remains very limited.



WHAT NOW?

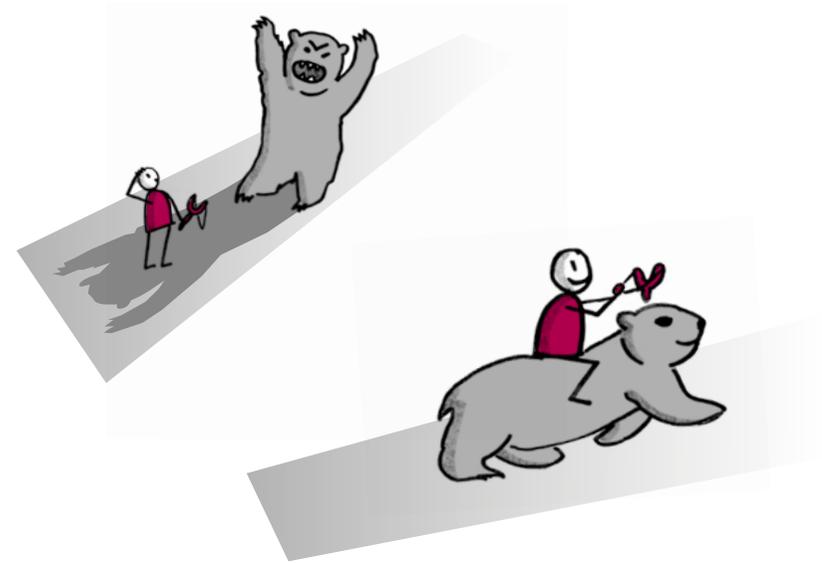
Ten years ago, I saw how fraught the relationship between schools and colleges, private-sector companies and the government was. I asked myself then how it was possible that all these players, which had roughly the same overall goals, could end up working against one another so much of the time.

For me, that was the perfect motivation for writing this thesis: where others see obstacles, I often naturally see opportunities and connections. And when that approach is shared, it can lead to great results in practice, which schools, companies and government can be proud of.

I hope that the results of this thesis will contribute to this positive approach to collaboration, because it leads to much better education and research. Or, as one colleague of mine commented to me: "It is possible, after all!"

Finally

New plans in the field of public-private partnerships in the Netherlands and Europe are now in full swing, especially in the fields of innovation ('eco-systems') and life-long development. But the development of those plans focuses mainly on the question of what substantive priorities there are, and who will be allocated funding. Very little attention is being paid to the theme of this thesis - 'how do we get schools and companies into problem-solving mode'. Even though that, it turns out, is the key to success.



Link to thesis: <https://dare.uva.nl/search?identifier=dee9547e-799d-4610-9859-a3c0b2d48d19>

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