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# How-To Guide

Developing and Implementing a Vocational Training  
Public Private Development Partnership



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION

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# Introduction

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## About the LKD Facility

The Learning and Knowledge Development (LKD) Facility provides a means to systematically learn from Public Private Development Partnerships (PPDPs) that target Vocational Training Centres (VTCs) and skills development. It aims to develop a framework for such partnerships and to promote this type of collaboration. A key objective of LKD Facility is to disseminate the gathered knowledge for the greater public good. For more information about the LKD Facility and its current partners and projects, visit [www.lkdfacility.org](http://www.lkdfacility.org).

## About this “How-To” Guide

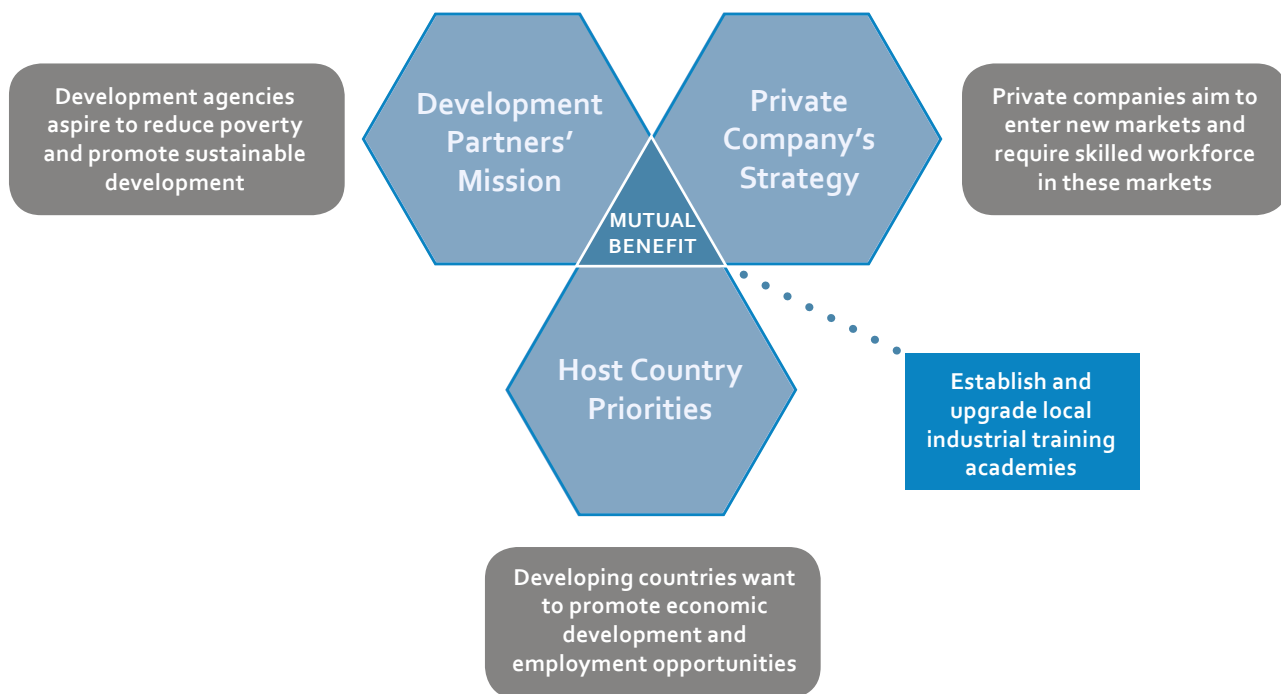
This “How-To” Guide has been produced by the LKD Facility as a learning tool, after the initial experience of working with the first vocational training PPDPs in Iraq, Ethiopia and Uruguay. The Guide has been created from the collected learning, observations and reflections of the LKD Facility partners – the United Nations Industrial Development Organization (UNIDO), business partners, donors and the Vocational Training Centre leadership. The Guide is intended to share the learning from the PPDPs in terms of how to develop and implement them successfully, what has worked and what to watch out for. It will be of interest to other organizations intent on developing new PPDPs, or for adding to their thinking about their current PPDPs, and for general interest on innovative ways to strengthen vocational training for poverty alleviation. This guide is a “living document” and will be updated regularly when new projects and partners get on-board and new lessons are learnt.

## What is a PPDP?

A PPDP (Public Private Development Partnership) is a way of delivering and funding public services with wider development impact. The investment, risks, responsibilities and rewards are shared between the public sector, the private sector and a development partner. The Public Private Partnership (PPP) approach, which is based on the assumption that certain public goods can be delivered more efficiently and effectively by the private sector, is not new as such. However, adding the “D” (Development), thereby turning PPP into PPDP, is a relatively new and innovative method that stems partly from the Millennium Development Goal 8 that calls for global partnerships for development. PPDPs are used in areas where poverty reduction cannot be achieved by separating private actors, the public sector and development agencies, and where all these actors share a common goal. To make a PPDP successful, it has to create benefits for all parties.



The LKD Facility uses PPDPs in the context of skills development and vocational training centers. In a typical LKD Facility project, the private sector brings in equipment and know-how, the public sector contributes buildings and staff-time, and the development partners provide funding for the development objectives, and linkages to the government. Moreover, the development partners act as a neutral body bringing the different parties together. The common goal in such projects is to create a highly skilled workforce, because this improves opportunities for businesses on the one hand, and reduces unemployment and poverty on the other hand. The illustration below exemplifies how vocational training PPDPs can create benefits for all parties.



## Who is Involved?

PPDPs are defined by the multiplicity of actors working together to make the project (here the vocational training centre and the coordination of the PPDP) successful and sustainable. For the LKD Facility PPDPs, the partners include a United Nations agency – UNIDO - as the coordinating body, donors, private partners, VTC staff, and related government departments at the national level. In this Guide, the general steps for developing and implementing a vocational training PPDP are delineated; however, specificities for different actors are also provided to show some of the diversity of roles and responsibilities, as well as the differing internal work within the partners' organizations that exists in a multi-stakeholder project.

# What Makes the PPDP Approach to Vocational Training Successful

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## Reported Benefits: The Business Case for a PPDP

There is a broad range of benefits to taking a PPDP approach to vocational training provision. The LKD Facility, through its learning process, has captured a number of these that partners have reported observing after the initial experience of working together. These include:

1. **Supply matches demand:** Because the business actor is helping to shape the curriculum at the VTC, the vocational training offered is more demand driven, therefore increasing the chance of successful employment for the trainees and for employers (and the overall reduction in the numbers of unemployed).
2. **Sustainability:** Traditional projects can have short timeframes, but the inclusion of private partners can help ensure a longer-term commitment. Because of this longer time horizon for their engagement, partners can better monitor the use of resources provided.
3. **Multiple actors share risks, costs and benefits:** The PPDP lowers the risk and barrier to entry that any one partner has, brings more resources (coordination, knowledge, funds, relationships and expertise) and augments resource mobilization opportunities. Working in an area in which they cannot easily be successful alone, each actor brings expertise that others might not have. For example, business knows the market and the technical needs and has the expertise and materials for specialized training; the government partner will have local detailed policy knowledge and relationships on the ground; UNIDO will have the international and multi-country perspective, etc. Due to these inter-relationships and interdependencies, each actor has to be fully committed to the PPDP. Their motivations might be slightly different, but the point of the PPDP is to draw on the resources of different actors to achieve success, not only on financial resources, but more importantly their knowledge, experience and analysis of the context. Whether a PPDP is developed in a country will depend on many factors, and amongst those is the business interest of a company and its risk analysis of the country.
4. **Innovation:** Because PPDPs are new, they offer opportunities for new learning for all the partners. PPDPs are uncommon and innovative, and as such they attract interest and attention in this new model for results delivery, and when successful they can offer reputation building opportunities for the partners. The PPDP can be a showcase to other VTCs, to neighboring countries, to potential new partners and demonstrate best practice. It also helps all the partners to try new things and learn from this and then apply the learning in other parts of the world, with shared risk.
5. **Replication opportunity:** With the LKD Facility, these PPDPs have a focus on collecting learning, sharing learning and creating good practice cases for replication in other places and in other VTCs. There is a focus on creating reusable learning in terms of best processes, learning methods and practical knowledge products.

6. **Partnership opens doors for the VTC at national and local level:** Having UNIDO, a bilateral donor and a multinational corporation as partners is automatically an endorsement for the project. It makes an impression and opens doors, for example at the government level. As a result, in one country, the government supported the VTC in developing occupational standards and provided staff to support the process. This link to the government helped spread the occupational standards, which are now available to other VTCs in the country. This in turn contributed to triggering change in the national vocational training system. This VTC with its PPDP has become a benchmark for vocational training in the area.
7. **Value of UN intermediary:** In a context where government relationships are important to successfully embed the PPDP into a political context, to promote systemic change and garner policy support for the work, UNIDO is a strategic partner. The UN partner in the PPDP provides a natural entry into the government, as government relations are part of its daily work. UNIDO has long standing government relationships and contacts as well as the know-how for contacting and working with them which the businesses or even the donors may not. In addition, the intermediary role of UNIDO as the convener, with its position between the partners, helps them benefit from each other's learning. For business this intermediary role is particularly important; due to issues related to competition law, they cannot work directly together, but gathered knowledge by UNIDO can be applied to continuously improve the different PPDP projects. UNIDO has also taken the lead in developing the project documents and managing the LKD Facility, which is helpful if the other partners are not able to, do not have the capacity to, or do not wish to lead on the project.
8. **Value of private sector partner:** The continuous feedback from the private sector is useful throughout the different stages of project development and implementation. Above all, it makes the vocational training more demand driven and market appropriate. It makes it easier to keep the training up to date and to adjust along the way. This is also a key stakeholder who can provide practical internships for students during their study, as well as employ people after the training. The private sector partners are very result-oriented, and they bring in completely different viewpoints in terms of what is really necessary in the project. Business partners also bring new working methods and give the project energy. They participate from the very beginning of the process with the project document (ProDoc).
9. **Value of the local public partner:** Having a local public partner ensures that local knowledge is applied in the PPDP, this includes information and statistics about local markets, locally applicable expertise, access to local networks and relationships, and understanding of the political context, among others.
10. **Building on Experience:** The more experience you have and the more PPDP projects you successfully undertake, the more you know what works and what does not work and what needs to be in place early for the project to transfer smoothly into the implementation stage.

## What To Watch Out For

There are also a number of challenges from taking a PPDP approach to the provision of vocational training. These include the following reported observations through the LKD Facility PPDP projects:

- 1. Time:** PPDPs take more time than traditional projects. They demand new internal and collective processes. They also add a layer of bureaucracy (coordination among partners who can have different views, institutional cultures, sense of time and urgency, etc.). Working together for the first time means important steps like developing the ProDoc can take much longer than anticipated. The first meetings and exchanges are about setting up the process, and not so much on concrete thematic issues in the PPDPs. It also takes more time for quality control, for example in the VTC, the manager needs to more closely monitor instructors, and training.
- 2. Resource intensive in initial stages as partners build new processes, relationships and trust:** PPDPs need more time and also more financing and human resources for coordination and for testing approaches. Costs at the onset of LKD Facility and the PPDPs were high, and the cost benefit was a constant question in the initial stages, although efficiencies in terms of set-up times begin to appear now in the process of bringing in new PPDPs.
- 3. Coordination:** The more parties that are involved, the more challenging coordination becomes. More time is needed for coordination and more work involved getting all actors on the same page/time frame, etc. during the process. Partners at times may have felt as though they might be faster in the development stage if they were developing the project alone, but this would lose the benefits of the collective undertaking.
- 4. Market distortions:** Of concern to the development partners is the market distortion that might occur from the PPDP. They want to make sure that the business participating does not get an unfair advantage or gain too much influence in the new marketplace.
- 5. Confidentiality and anti-trust issues:** Because of EU competition regulations, it is challenging to share information amongst the businesses because of confidentiality issues. This shows up in meetings and gatherings but also in learning exchange that is more technical in nature, including materials, etc. Appropriate steps have to be taken by business internally to participate, and meetings are run with antitrust reminders.
- 6. Lack of experience:** In many cases the partners do not yet have experience working together, or in some of the activities involved in development and implementation of the PPDP. For example, the donor might not have experience working with business; the businesses may not have experience working with governments and their internal rules and regulations or in writing and working with such long and extensive documents; the VTCs may not have experience with such large projects or working with multiple partners for delivery, and so on. As traditionally these partners do not work together, experience has to be built and that takes time and effort and additional resources.



## PPDP Partner: The Business Perspective

### FOR BUSINESS TO GET ENGAGED

They need to see the business case, including access to new markets, learning opportunities and experience building for the business, and access to a skilled labor pool in their countries of work. They are also interested in participating in the whole project, from the design stage to implementation (and not just implementation). The institutional framework and reputable partners provide added reputation-building opportunities.

### ONCE BUSINESS GETS ENGAGED

Business partners can provide benefits and help with decision-making that creates efficiencies in the project from their results orientation. They appreciate learning from the PPDPs and other businesses, for example how to use the right training materials and professional training methods. Key Performance Indicators (KPIs) are also good value to see what they can analyse and transfer to other training centres within the company. It is also beneficial for them to be exposed to different business perspectives and drivers, especially those business partners who are not competitors - they see things from a different angle and have a different level of maturity in training programmes. Business' participation might not create financial efficiencies for the business, but the experience increases the quality of other existing and future PPP projects that businesses are undertaking. Business also learns from other companies regarding industry developments (what direction the industry is moving), technology developments, and from the broader strategies that other companies are employing around these issues.

### FOR BUSINESS TO STAY ENGAGED

Business partners want to see results (so tracking and M&E are important), innovative projects, best practices, sustainability elements and replicability in other contexts and markets. Business would like to see more optimization of their PPDP investment, for example by seeing more schools using the curriculum of the original VTC (so that most schools are doing this level of training and producing quality workers). Business needs to be aware that PPDPs need a significant amount of management attention due to their innovative nature, so this has to be well managed internally. It also has to be prepared to contribute resources and manpower.

## PPDP Partner: The Donor's Perspective

### FOR THE DONOR TO GET ENGAGED AND REMAIN ENGAGED

The project needs to be in line with national development policies. Donors want policy makers engaged and want the local level work at the VTCs to be anchored and focused on systemic change at the national level. The donor appreciates shared learning about policy-making by drawing comparisons from different regions, and they request global communication of the PPDP learning in the public domain. The donor's ultimate objective is to achieve as much systemic change as possible.



Photo 1: Students from the Heavy Duty and Commercial Vehicles Academy take part in an internship at a local Volvo Garage in Ethiopia

# How to Develop the PPDP Concept and Project Document

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## General Considerations

The design of the initial steps of the vocational training PPDP, how the ProDoc is formulated, and who is engaged is of critical importance for a smooth running project in the later implementation stage.

Partners should bear in mind the following general considerations as they go through the steps of PPDP conceptualization and development:

1. **Anchor PPDPs in the region and the political context:** The projects need to be well-anchored in the region and the political context where they are developed. Relevant local, regional and national policy makers need to be integrated from the outset, and there needs to be good understanding of how these different government levels work together. This will facilitate the project and support goals around systemic and policy change, as well as foster the sustainability of the project.
2. **Concept and project document development takes time** in initial PPDPs, as relationships are being built and processes set up, and demands numerous iterations of the ProDoc. The time needed begins to reduce with continued learning.
3. **Keep some flexibility in early stages:** Vocational training PPDPs are often new learning exercises for many, if not all, of the partners (especially the business and VTC partners). As a result, it is important to keep some flexibility in the ProDoc, as things emerge in the process which may necessitate amendments. This learning curve also has implications on time and human resource demands, as internal processes in the partners for some aspects of the PPDP may need to be developed for the first time.
4. **Devote time to internal work in the partners' own organizations** to sell the PPDP concept to other parts of the institution or business, as it is new and takes resources and management attention away from other things. There might also be an initial perceived conflict of values that needs to be examined and worked through.
5. **Support the local VTCs:** For the VTCs participating, if they are pre-existing VTCs, the budget might seem very large; it might be the biggest project they have executed. They need considered support from partners on a number of levels to fully participate in the PPDP set up, to develop the new internal department or programme, etc.

## Steps to set up the PPDP and create the Project Document:

STEPS	GUIDANCE FROM LEARNING
Concept Development and Project Idea Generation	<ul style="list-style-type: none"><li>• <b>The PPDP project idea can emerge in a number of ways.</b> It can, for example, come at the country-level from the business and the Embassy of the donor – this is a good origin for the PPDP as for this to happen the company would have a clear business case for the project and there would be a clear indication from the donor’s side that they would like to participate. In other cases, UNIDO takes the initiative and lobbies the government for the project and then identifies the business partner. In this latter configuration it has taken several years to get the project agreed with the government and there have been some delays in execution.</li><li>• <b>Further scoping should be undertaken as needed.</b> A joint mission of partners can be an effective way to solidify the project idea and understand the opportunities and parameters of the potential project. This mission can also include a Chief Technical Advisor (CTA) with management experience in one PPDP who can bring his/her experience in this initial scoping stage. During a joint mission, partners can view a number of VTCs and then select the one to become the PPDP partner based on pre-defined selection criteria agreed by all the partners.</li></ul>
Writing the ProDoc and Approvals	<p>Once the project idea is considered mature enough for next steps:</p> <ul style="list-style-type: none"><li>• <b>All partners should be involved in developing and writing the ProDoc with UNIDO taking the lead in the writing, collecting inputs and revisions.</b> All partners give inputs to the document, review it and comment upon it. Each partner is in charge of managing its internal approvals process and these will be different for each partner. (See below)</li><li>• <b>Build in time for iterations:</b> There will be numerous iterations of the ProDoc, each continually improving the concept. All partners provide input along the way, and UNIDO is proactive in seeking this feedback from all partners, using different methods (documents exchange, calls, meetings, etc.) The partners must be active in their participation at this stage and provide this feedback in a detailed and timely manner.</li><li>• <b>About the ProDoc:</b> Keep the ProDoc short, as particularly the business partner will value a short and concise document which is more in line with their own internal documentation processes. It should also be easy to understand with a good framework and clear headlines.</li><li>• <b>Create templates:</b> After a number of ProDocs have been developed, and the type of information needed has been clarified, templates for the different sections can be created and used to make the process of writing the ProDoc more efficient.</li></ul>

STEPS	GUIDANCE FROM LEARNING
Schedule Face-to-Face Meetings	<p>Once the ProDoc drafting has started:</p> <ul style="list-style-type: none"> <li>• <b>Plan for at least one or two Face-to-Face meetings that gather key actors at an early stage of project development.</b> These meetings can take 1-2 days to agree on the main components of the project and to work with the draft ProDoc that has been prepared by UNIDO. This helps to make sure that everyone has the same understanding of the project development process, and provides time to clarify roles and manage expectations (see below), and helps build experience and trust for those with less experience in collaborating with a multi-stakeholder group. These meetings can also be used to clarify timelines and next steps and shed light on each partners' internal processes. If there are two meetings, one can be held in a partner office and one at the selected VTC partner.</li> </ul>
Clarify Roles and Manage Expectations	<ul style="list-style-type: none"> <li>• <b>It is essential at this PPDP development stage to clarify the roles of partners.</b> This will be much harder to do later on and will cause delays. Time will need to be invested at the outset to discuss with the partners - both individually and as a group during the face-to-face meetings and in conference calls - their roles and expectations, expected results and ways of achieving the results, and steps to be taken to achieve them (such as training, delivery, training of staff, etc.)</li> <li>• In addition to the delivery roles, <b>the management of the project needs to be understood</b> by the partners including the government, and the representative assigned by the government to the project. Gaining this government support is important in order that a positive environment for the project exists within the government (and time and financial resources can be used for other things than problem-management if this supportive climate has been built). (See section on How to Form a Dialogue with Policy Makers)</li> <li>• <b>Document the roles and responsibilities.</b> Assure that a document between UNIDO and partners has the roles, responsibilities and contributions clearly articulated. This can include, for example: provision of equipment, ownership of equipment, and eventual transfer of ownership to the government or local VTC partner.</li> <li>• At this stage, it is important to <b>tackle any challenging areas in a straight forward manner</b> and not put off difficult decisions to a later stage where there might be less options or more adverse impacts.</li> </ul>
Identify the Right Representatives within the Partners	<ul style="list-style-type: none"> <li>• <b>Help the partners identify the right person to participate.</b> For example, within the company, it might take someone who understands what the company is looking for in terms of opportunities and training, or it might be the country manager. Depending on the input and knowledge needed, this representative might need to change during the process, with good handover and extensive briefing necessary.</li> </ul>



## STEPS

## GUIDANCE FROM LEARNING

### Satisfy Information Needs

- **Satisfy information needs:** At this stage many of the partners will need information and data. The business partner in particular will be bringing its expertise in designing the value proposition of the PPDP and for this good financial information and data and country-level statistics will be important, including information such as beneficiaries, potential beneficiaries, how to reach out to them and an understanding of other companies in the country, etc.

- **Collect data in a reliable storage place:** This stage will generate quite a bit of data that will be important for PPDP set up and implementation. This data should be stored in a database and properly documented. As part of the capacity building in the government, UNIDO can help the government collect the information needed.

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Photo 2: Zana Mustafa Rafiq, teacher at the Swedish Academy for Training in Iraq, instructing students on the layout and operations of a Scania truck dashboard

**A significant amount of very specific internal work is going on within the partners' organizations at the project development stage. Below is some insight into this internal work:**

#### **INSIDE THE VTC AT THIS STAGE**

**Need for support:** This PPDP could be the largest project the VTC has undertaken to date. They are seeking support from partners at this stage and the partners can help them in a number of ways. For example, UNIDO can help them develop plans for a new department to situate the project within their VTC. A visit by the donor can encourage them and build relationships with the local Embassy if they do not already exist, and can help keep up momentum at this early stage of the project. All partners can help to open doors locally using their contacts and reputation. The VTC also may need help with resources – enough classrooms, a workshop, meeting rooms, sufficient staff, etc. The VTC must be sufficiently integrated into the project development process to foresee these needs and build them into the project.

#### **INSIDE THE BUSINESS AT THIS STAGE**

For a business that is new to vocational training PPDPs, there is a considerable amount of internal business work that goes on in the preparation and development stage. The work will be different depending on the business and can include:

- **Clarify legal aspects:** Develop the competence and/or bring in the legal departments to make sure the business does not promise more than it can deliver and does not promise less than it would like to. This legal support is particularly important at the project development stage. It might take some time to involve the legal department. With these legal considerations clear and with a more standardized internal project application for the business, it will also make this stage quicker and more efficient in the future.
- **Clarify roles within the business:** Because the PPDP will need inputs from different levels and parts of the company, the business will need to align what HQ will do and what people in the business units, regions and market companies agree to do. They will then have to secure resources for that. This step can be more challenging than involving the legal team. The following sequence is proposed for the business partner representative:
  - 1) Meet with the legal team to get them involved early in the process;
  - 2) Try to meet all the internal stakeholders in person and keep the conversation alive;
  - 3) If possible send the ProDoc back and forth between the internal stakeholders repeatedly and ask questions where needed. Bear in mind that the ProDoc doesn't need to be perfect to send around for feedback.
- **Understanding the country rules:** The business will need to understand the internal rules and regulations within the country of the PPDP, as well as the financing and funding

mechanism for sustainability. UNIDO can effectively support country-level knowledge building. This is an important element to engage management (See below).

- **Engaging management:** The business partner representative will need to sell the project to the business management team. Decisions will need to be approved, in some cases by a board of managers, because the PPDP takes resources and management attention away from other things. The Project needs to be positioned internally, and managers who need to be involved must be briefed on the main goals. Some businesses have experience running PPPs, so the internal selling is not so much why to do it, but why to do this one and not another one. For businesses without this experience, this process starts at an earlier stage of understanding.

### INSIDE THE DONOR AT THIS STAGE

- **Managing internal approval processes:** Many donors do not traditionally work with the private sector and this might prove to be a challenge for them. The rationale for a PPDP and engagement with business might be questioned internally, as the link with poverty alleviation might not be immediately obvious to other internal stakeholders. There can also be concerns about becoming a vehicle for the private sector, which is not the role of the donor in development. The donor representative will need to be prepared for these conversations.

- **Building internal capacity and support:** The donor representative will need to work hard to provide knowledge, competence development and foster attitude change internally. This could be approached in a number of ways: 1) Travelling to the main Embassies to run competence development workshops; 2) quickly initiating several PPDP projects to provide experience on the ground that can be built on and used as models; 3) Engaging senior leadership to help provide motivation (who may already be proponents of private sector engagement).

### INSIDE UNIDO AT THIS STAGE

- **Due Diligence:** A vocational training PPDP has many of the standard project management features for UNIDO, with the exception of an important due diligence step that occurs at this initial stage of the development process.

- **PPDP Leadership:** UNIDO leads the process and supports and facilitates partners' contributions. This involves writing initial drafts of the ProDoc, distributing, collecting and integrating feedback, convening initial meetings, etc.

- **Internal buy-in:** Also in UNIDO, there can be concerns about becoming a vehicle for the private sector, which has not been the traditional role of a UN agency in development.

# How to Implement a Vocational Training PPDP Project

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The implementation stage helps to test how well the PPDP development process went and also provides some new opportunities for intervention by the partners. Each partner contributes during this execution stage with varied inputs articulated below.

## Steps to implement the vocational training PPDP:

STEPS	GUIDANCE FROM LEARNING
Selection of the VTC	<ul style="list-style-type: none"><li>• <b>Connecting to an existing VTC:</b> Connect the PPDP to an existing VTC if possible; this institutional home will help with sustainability (e.g. continuation once the project is over and in terms of ongoing leadership). Within an existing VTC, UNIDO can support the set up of a new department and provide targeted know how and experience, for example through an experienced and rotating CTA. The rotating CTA would spend 2-3 months in each PPDP project thereby ensuring that lessons-learnt from the different projects are operationalized. There should be internal leadership to carry on this work in an existing VTC, which the CTA can support. This support needs to be included in the budget from an early stage.</li><li>• <b>Advance planning for Staff and continuity in the handover:</b> Working with an existing VTC also helps to potentially avoid problems with staff employed through the project (e.g. trainers and IT experts) once the project ends. Develop a plan for what will happen to staff at the end of the project. If the VTC is newly created by the PPDP and is a stand alone institution, the government may not be able to take on the project staff later and this might cause a problem when handing the project over, again with potential impacts on sustainability.</li><li>• <b>Consider infrastructure needs:</b> Working with an existing VTC also avoids the need to build completely new infrastructure, the provision of which is usually the role of the government partner, and can cause delays in implementation.</li></ul>
Partners' Contributions in the Implementation Stage	In the implementation stage, clarity needs to be achieved around who does what and contributes what to the PPDP. This can take some time (a month or more) but this will make implementation smoother and improve coordination, information sharing, and follow up. It is worth bearing in mind that even with this clarity, the decision-making processes within UNIDO and the donor may be considerably slower than the business partners and the VTC. Partner responsibilities and contributions in implementation include:

- **UNIDO contributions during implementation:** UNIDO has a number of roles which need to be clear and agreed upon. For example, UNIDO has the responsibility for overall supervision for implementation. UNIDO needs to bring in partners as needed with know-how (for example if the project needs mentoring, or virtual learning technologies, etc.) UNIDO needs to use its network and member country relationships at this stage to further open doors to government and keep momentum there. UNIDO understands how to work and connect with donors, so it can share this knowledge which can be helpful for the business and VTC partners. UNIDO can also be asked by the VTC for help in organizing/importing equipment and other practical things.

- **Business contributions:** Business needs to provide equipment and materials to the VTC for free as a part of their contribution, and needs to help make sure that the equipment provided is used and applied properly, so that students (and their teachers) get a hands-on learning experience rather than a theoretical one. Business needs to be transparent about the value of their contributions, so that questions from the VTC Boards, independent evaluators and government auditors can be answered. This valuation should be documented. It also allows for an understanding by the VTC as to how much has been delivered and how much is still expected. Transparency helps avoid trust issues. Business also provides experts, i.e. for training staff at the VTC. Where needed, they can create the training based on discussions, set the curriculum and get all the required investments in place to run it, including the faculty/master trainers and tools and equipment. Business can also provide labour market information, offer internships, etc. If an extensive role for the business partner is envisaged, this needs to be planned well in advance. Some businesses may be able to draw upon their own training centre concepts, so they might have experience to bring to this. Other businesses may not. In some cases, there might need to be a dedicated project manager inside the business to manage the PPDP project exclusively.

- **VTC contributions:** In the case of an existing VTC, it can be the case that the VTC invests in building etc. even prior to receiving funds. It needs to work with and manage its own Board, which can be particular about new project budgets (especially if the Board is also a donor or charity). The VTC also needs to anticipate critical infrastructure needs and include them in their planning and share these with the partners. If not properly planned, these can cause delays in sequencing (e.g. trainers cannot be trained before the workshop is finished). The VTC needs to reality check timeframes and planning milestones with their knowledge of the local context and the VTC.



- **Government contributions:** Government needs to designate a counterpart who is responsible for the project so that there is a person to work with and to contact in case of problems or delays. Any concessions by the government need to be made at an early stage. In some contexts, it is better to avoid government providing newly built crucial infrastructure (e.g. the building) as this can lead to delays.
- **Donor contributions:** In addition to funds, the donor can be instrumental in leveraging local support from their Embassy for the VTC and the project. The donor can encourage the Embassy to have a closer relationship with the VTC, for example through periodical meetings (e.g. every 4-6 weeks). The Embassy can then also report back to the donor and UNIDO on progress and any additional help needed. This is also motivational for the VTC, and keeps up the momentum of the project, particularly in the early stages of implementation when the leadership is still finding its way.

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#### Getting the Right Team in the VTCs

- **Committed people with appropriate expertise** are needed at different levels, in particular in the VTCs. Several essential roles to be filled include:
  - **CTA:** Having an experienced Chief Technical Advisor can create considerable efficiencies. A CTA with management experience can be appointed to rotate among the VTCs for a period of time. This will help exchange learning among the VTCs, and support VTC leadership. If possible, the CTA should support existing VTC leadership and not assume ongoing leadership.
  - **PPDP Project Leader:** Onsite recruitment for the VTC Project leader needs to be guided by good knowledge of the resource base and where to find skilled people. The PPDP Project Leader position needs to be filled by a dynamic and creative person, and a self-starter that can work with a new kind of project, so that implementation is not delayed due to a very steep learning curve. The VTC Project Leader benefits from having contacts with the private sector, experience with training trainers in a creative way (e.g. sending trainers to business partners for weekly training sessions and to get experience doing the jobs on which they are training students, etc.). The PPDP VTC leader needs to be able to work on a faster timetable and not get bogged down in internal bureaucracy. The leader needs to be able to keep the VTC and PPDP project team motivated throughout their learning process. Recruitment for this position can be challenging due to the short nature of the contracts offered, which are not always enough for people to leave their existing jobs and move to the PPDP country, so creative solutions such as bringing in short-term trainer and teachers with international backgrounds can provide needed and targeted capacity.

- **Trainers and trainees:** It is easy to provide equipment but more challenging to settle the project into a context where key people like trainers and trainees use the materials and equipment well. In some countries, university education is very theoretical, so graduates have never been under a truck, but they satisfy the government equipment that teachers/trainers must have at least a BSc. degree. The skills level and expectations of people need to be understood, otherwise it can be a challenge to find the right trainers and trainees to participate in the PPDP. In some cases it has also been difficult to find teachers because the salary levels are low and technical people can find much higher salaries in the private sector. As a result, some teachers are working in business and teaching only a few hours a week in the VTCs.
- **Staff retention:** Due to some of the dynamics above, incentives can help to retain staff in the project. These incentives can include: transport subsidies through the provision of transport to work; and teacher training that can help trainers to upgrade their knowledge.
- **Achieving gender balance in trainees:** A strategy needs to be put into place to encourage women to become trainees in the VTC. Promotional and information efforts need to be made to recruit them.

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#### Communications and Learning

- **Challenges and difficult conversations** need to be approached in a straightforward manner. All partners need to bring those issues to the collective discussion. It will be tempting to skip the difficult issues and leave them for later, in the enthusiasm of developing and implementing the project, but this can cause critical delays later on.
  - The partners will need to keep up **continuous communication internally** in their organizations as well as **among the partners**. Internally, the partner organizations' stakeholders will want to know that things are going to plan, and if they are not, what has to be done to follow up on them. This might need quick decisions, so it is important that key stakeholders are up to date on the PPDP's implementation progress.
  - **Clarify how information among the PPDPs flows and is shared.** If strategic business information is collected, this can cause problems for the businesses due to secrecy issues. Make sure all partners understand and agree to the flow (documents and discussions) and how the information is being used and shared (e.g. take it back to the companies etc.)
  - **Schedule periodic learning events.** For example, an Annual Partners Meeting with a strong peer learning component, in addition to the governance business of managing the PPDP, can create a face-to-face opportunity to share, exchange and consolidate lessons learned. This is in addition to a learning framework of key learning questions answered by partners through interviews (such as the one to produce this document). Building in reflection will make sure that only good practices are carried forward onto new projects.
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A significant amount of very specific internal work is going on within the partners' organizations during the implementation stage of the PPDP. Below is some insight into this internal work.

#### INSIDE THE BUSINESS AT THE IMPLEMENTATION STAGE

Internal work within the business continues to be important in the implementation stage, with a constant focus on communication and mandate. The business should envisage the following internal tasks:

- **Sourcing, logistics and costs:** Business needs to have people already in the field, or send people, to train the staff in the VTCs. For this they need to book people's time and manage their missions. They have to get equipment delivered to the VTCs, and know how to clear equipment through the border of the country. These things require processes, and they will need to engage with logistics departments and monitor their work to predict any delays and make sure any equipment or materials are packaged well. In the early stage this might be done on an ad-hoc basis, but the business needs to develop a process for these things internally to make sure they know how to transport the equipment to the right place (boat? plane?) and how to calculate the value of the equipment. There might not be appropriate transport guidelines, and for each step of the implementation for this new kind of project, a new decision has to be made.
- **Working with internal stakeholders:** Business also needs to make sure that they are on the same wavelength with their local partners (market companies and business units) so it is clear who will pay for what, who will send people over to conduct training, who will make arrangements for that, etc. These responsibilities should be defined early in the project to make implementation smoother. Things can move very fast, or very slow, so it is good to have worked through and agreed these practical details early. It is possible, if there is no experience in the business HQ with PPDPs or similar projects, that it might not be clear whom to make responsible and at what level. However, this experience might exist in regional organizations (distributors) where there is much more collaboration with vocational schools in some businesses. The local dealerships might also be experienced with these relationships. Therefore there is the internal exchange of knowledge and know-how needed for running these kinds of projects.

#### INSIDE THE VTC AT THE IMPLEMENTATION STAGE

- The VTC needs to **undertake business planning** and have **access to coaching and mentoring** of VTC staff, which is crucial in the implementation stage.
- The VTC will need **a plan for how to place students in internships** and may benefit from support from partners on how best to do this. Good contacts with many businesses can help with this, not only the primary equipment supplier for the VTC (the PPDP partner). Other businesses can also provide internships, and get engaged in the VTC in other ways.

- The VTC during implementation needs to **sustain the linkages with the private sector**. The VTC will be providing a high standard of training that will need to be maintained, and connections with business will help create ongoing internship opportunities, continual updating of curriculum and equipment, training of teachers in the business, etc.

#### INSIDE UNIDO AT THE IMPLEMENTATION STAGE

- **Expedite processes internally:** UNIDO will need to help expedite internal decision making so this doesn't cause delays in implementation.
- **Support the VTC** and local team with aspects of the PPDP which are new to them, such as how to assess cost efficiency in vocational training, how to include gender issues, etc. These can be addressed in an advisory capacity, through coaching, and/or in thematic exchanges in the meetings convened.

## LKD Facility PPDPs implementation: Ten things that have worked so far

Among the various things that have worked well in the implementation stages of the vocational training PPDPs in the different countries, here are 10 interesting observations from among those that the partners have noted:

1. **Private sector's know-how:** Implementation provides an important opportunity to learn from the private sector because they work much more on a results-oriented basis than the development partners. Development partners will be inspired by how they do things and how they approach problems. The partners and VTCs need to draw more on the methods of being more results-oriented in practice. This could help students and teachers to work more analytically.
2. **UNIDO's knowledge:** In implementation, the expertise and manpower of UNIDO helped greatly.
3. **Embassy involvement:** In one country, the donor's Embassy was heavily involved, having meetings every 6 weeks with the VTC. They helped the partners to stay updated and it motivated the VTC. It kept up the pressure for progress.
4. **Provision of additional equipment:** UNIDO provided equipment that the VTC did not know it needed initially, which was beneficial as it turned out to be important for the workshop.
5. **Engagement of VTC staff:** The VTC staff needs to be entirely committed to the goals of the project. Supporting VTC staff with coaching during the implementation stage is crucial and worked well.
6. **Practical training for VTC teachers:** It was beneficial to send the VTC teachers to work in a dealership workshop. They did the job themselves first and so they knew exactly what they were teaching students. This is something that went well and was appreciated and could be applied to other projects.
7. **Proper planning:** The business partner has had to engage different functions to acquire equipment, to recruit master trainers etc. This went well because everything was planned well in advance. This went smoothly also because in some cases the business partner had a similar model internally of training centres to draw upon.
8. **Quick decision making:** Once momentum was built, it helped in decision making. Things were able to move forward even if there was not always a solution at hand, because things were moving and the partners were motivated and working together to find another solution. Putting people with know-how together accelerated decision making.
9. **Reputational benefits:** In some countries, the VTC has received significant public acknowledgement. Different people from all over the world are contacting the business partner now and want to work together with them because it was a success. They have had pension funds that wanted to invest in schools. People are impressed and want to be involved. As a result it has had unexpected public relations benefits.
10. **Exchange of experience:** The Learning Workshop at the Annual Partners meeting had a lot of energetic people that helped VTC teams broaden their horizons. It is a good forum to exchange experience and learning. The exchange on an informal basis during the workshop (dinners, coffees) also added a lot of value.



# How to Form a Dialogue with Policy Makers During Vocational Training PPDPs – Initial Learning

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The PPDP will benefit from close collaboration with policy-makers and government officials at all levels, from the very initial stages of the project concept development. It is important to devise a strategy for how to interact with the government. This strategy will be different depending on the kind of PPDP and VTC with which you are collaborating, as well as the government structures around vocational education that exist.

STEPS	GUIDANCE FROM LEARNING
Understand the Policy Context and How to Influence It	<ul style="list-style-type: none"><li>• With the goal of systemic change, it is important to <b>understand the structures of educational policy making</b> in the PPDP country (e.g. are there regular fora, meetings, networks or other processes to engage and influence?).</li><li>• Understanding the policy context can also help to <b>identify the key policy makers to involve</b> in the PPDP in addition to the government representative that has been identified as the counterpart. This is also important as other policy arenas in addition to education policy might be relevant to the work of the PPDP (e.g. SMEs policy, agricultural policy, financial policy, etc.)</li><li>• Systemic change at the national level is more likely to happen if the PPDP is locally anchored. This will happen at the project level. When learning from different PPDPs is aggregated it will become a powerful tool to influence the policy making process.</li></ul>
Use Partners to Open Doors with Policy Makers	<ul style="list-style-type: none"><li>• Having UNIDO, a bilateral donor or multi-national business automatically endorses the project and helps to open doors of the local, regional and national level policy makers. Additionally, UNIDO's member country structure provides both contacts and the know-how to approach and engage with government officials, in addition to its work experience in industrial development and arguments to support and promote that.</li><li>• If UNIDO and the donor are both present in the PPDP country, they can jointly approach the government and share the experience of what has been done so far. It is important to be able to show what has been done in previous PPDPs, the concrete results and what worked and what didn't work. Policy makers can then compare their existing initiatives to the PPDPs and see for themselves whether or not this kind of initiative is beneficial to support. From experience, the donor and UNIDO can also give some examples from countries where they have been able to achieve positive systems change in education strategy, for example in 5 year plans, etc.</li></ul>

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STEPS	GUIDANCE FROM LEARNING
<b>Identify the Right Policy Makers</b>	<ul style="list-style-type: none"> <li>• The level of the policy maker engaged is important:, in some cases, politicians (elected officials) were not the right target group in the policy context – ministers or bureaucrats were better.</li> <li>• Interact with policy makers at all levels: Local, regional and national. They are all connected. Try to find out how they are connected and use that knowledge to support the policy efforts of the PPDP.</li> <li>• Create a lobbying function (formally or informally), such as a lobby group for skills training.</li> </ul>
<b>Invite the Policy Makers Into the VTC</b>	<ul style="list-style-type: none"> <li>• Invite policy makers, such as local MPs, to the VTCs and show them what is happening in the VTC. If the MP has a genuine interest in skills training, this can be effective in engaging them.</li> <li>• Get as close as possible to the government officials and work to understand their political tasks – this can be undertaken through workshops, seminars and webinars for example. Provide case studies in such a way that they relate to the reality of government and try to reach as many people in government as possible.</li> </ul>
<b>Invite Policy Makers In As Partners</b>	<ul style="list-style-type: none"> <li>• Bring policy makers into the PPDP from the very first moment of the project and treat them as partners. Listen carefully and work to understand their interests, bearing in mind that the technical solution we are providing has to be delivered in a political context. Ultimately it is not about the best technical solution, but the one that fits best into the political context in which the PPDP is situated.</li> <li>• Take the time to get to know the government policy makers personally, and their motivations for participation in the PPDP. This will help to more effectively connect and communicate with them.</li> <li>• Be clear about the expectations for government partners. These can include infrastructure support, as well as political support for getting the VTC curricula approved by the relevant government authority. Other schools should be encouraged to start using the VTC's new PPDP curricula and it should be made widely accessible, so that there are other schools that benefit from the PPDP investment and more students can learn industry-relevant skills.</li> <li>• Clearly describe to the government representative what it is that will be done in the PPDP. Ensure that they really understand the expectations, expected results, how to reach them and the steps in between (training, delivery, training of staff.) This helps to build a positive climate for the project in the government.</li> </ul>
<b>Keep Policy Makers Informed</b>	<ul style="list-style-type: none"> <li>• Keep policy makers informed throughout the process and get their feedback.</li> <li>• Test the development of a Community of Practice that periodically convenes local, regional and national stakeholders of the PPDP, including government actors, for learning exchange.</li> </ul>

# How the LKD Facility Fosters Learning

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## Value added of the LKD Facility

Early in the LKD Facility the partners identified what they anticipated would be the value added of the LKD Facility. Two years into the process, this is what has emerged as observable value added:

1. **Standardised approach:** The aim is to apply the same processes and learning to new PPDP projects. The LKD Facility provides the opportunity to immediately apply the learning from one project to the next one, particularly in the early stages. This is starting to happen for new PPDPs coming online.
2. **Efficiencies:** Efficiencies can be seen in terms of time needed for set up and thus financing for new PPDPs. In one of the newest PPDPs, for example, UNIDO has worked to reduce the length of the programmes and identified bottlenecks. Having something to compare the new PPDP design with has helped the partners to understand where time and cost savings could be made.
3. **Showcase** what works best and what works less well, for the projects themselves and for the partnerships.
4. **Gather learning** and “do’s and don’ts” in a very pragmatic way. This should be used in meetings with new partners to help manage expectations.
5. **Derive learning from PPDPs**, draw experience and gather best practices on how to successfully set up and run vocational training PPDPs and share this information globally.
6. **Comparative evaluation:** The LKD Facility PPDP portfolio provides a series of thematic projects (heavy industry) that can be evaluated together as opposed to stand alone projects. This should ensure better learning from project to project.
7. **Capacity building amongst partners and in particular UNIDO:** UNIDO is developing considerable in-house knowledge on setting up and implementing vocational training PPDPs, and can use this to benefit new projects. The UNIDO CTAs now also have experience and knowledge that they can apply to the development of new projects, as is being done currently with a rotating CTA position.
8. **Business to business learning** has also taken place about working effectively on PPDPs and PPPs.

## What we need MORE of for an effective LKD Facility learning process

For the LKD Facility learning process to be most effective, it would be beneficial to have **MORE** of the following things:

1. **Transparency:** People involved in the PPDP need to open up and share information; they need to share what is happening on the ground (at the VTC level).
2. **More participating VTCs:** With more vocational training centres participating there would be points for information exchange and more PPDPs from which to draw best practice.
3. **More focus on on-the-ground learning:** Work closely with the PPDPs on the ground in order to best derive learning, and to suggest new PPDPs.
4. **More communication:** The newest PPDPs have shown that UNIDO has now aggregated a considerable amount of learning from the PPDPs, which has been very beneficial for the development of the newest projects. This knowledge needs to be shared more at the overall partner level of the facility so that it can be disseminated externally and internally within the partners' organizations. There also needs to be continuous interaction between project managers and CTAs from different projects. It has to be noted that it is hard to share some information because of confidentiality issues between the businesses and due to EU competition regulation. It might be easier to share information with other big industrial companies who are not involved in the transport sector.
5. **More focused exchange on concrete specific issues:** There should be more thematic learning discussions on issues like evaluation, exchange of learning on how to ensure that the knowledge taught in VTCs can actually reach the workplace, etc. The first LKD Facility meetings were very much about the management of the LKD Facility but not about concrete issues. Now it is beneficial to have more focused conversations on concrete issues.
6. **More effort and more evidence of systemic change happening:** Now that PPDPs are reaching implementation stage, more focus can be put on identifying the structures of educational policy making in the country and trying to become a part of them, and feeding into these structures to increase the likelihood of systemic change.
7. **More learning about how to integrate the government partner:** More effort should be made to build quality relationships with government for learning more about this important partner. This could be improved by convening more as real partners, communicating more and finding more time amongst the partners to get to know each other and finding an effective way to communicate.

## Ideas for the LKD Facility in the future

Among the various things that have worked well in the implementation stages of the vocational training PPDPs in the different countries, here are 10 interesting observations from among those that the partners have noted:

- **Exchange Visits:** Exchanges among VTCs would help learning, for example students and teachers can be brought from one school to another. The LKD Facility could facilitate such visits.
- **Brokering function:** The LKD Facility could link potential partners and point out what does and doesn't work in partnerships. Technical issues could also be a source for matchmaking between countries, governments and companies. UNIDO could look at the members' states and identify situations in industrial development where PPDP can bring an added value, then make the matches. This in some countries might also mean that donor money is not needed (e.g. BRICS).
- **Conduct an external study of learning** in the LKD Facility.
- **Learn from other companies already working in countries where new PPDPs are being explored, but in different sectors.** This might especially help with maneuvering politically in the correct way.
- **Companies could talk to each other more about the internal processes that are needed to participate in the PPDPs.** This type of project is new for many, so all companies are making up their processes as they go along. If other companies have useful experience in e.g. when to engage with the packaging department, the delivery department and the financial transaction department, companies could learn from them. This might be challenging initially, because it is hard to share information from within the business if it has to do with strategic business development.
- **From the business perspective, if a partner has an off-the shelf product then it would be great to learn from them about how it is managed and anchored internally.**
- **At the partners meetings allow a significant block of time to present the projects** (more than 30 minutes), and showcase one project in detail at every partner's meeting. In this presentation and exchange, really talk about challenges, difficulties, etc.
- **Develop learning case studies** of the development and implementation process of individual PPDPs.
- **Explore certification** through the PPDPs. Institutional change can be triggered with the help of certification because this sets quality standards which can have a big impact. There is a need for certification of vocational training centres in developing countries because vocational training is not regulated in most countries. It would be important to prove that what students learn in a VTC is industry-relevant.
- **Learning from other, similar projects:** In GIZ the meta-structures worked well. They had regional structures and thematic structures in which knowledge was exchanged effectively, independent from individual projects; GIZ projects are followed-up more

regularly. Businesses have to provide reports and if something is not going as expected, they have to justify why; With the EU, people involved in similar projects meet more frequently for regular knowledge exchange.

- **Collect and distribute best-practices** on how to achieve gender balance in the field of heavy duty industry.
- **Communicate best practices and lessons learnt** of skills development PPDPs to national and international initiatives focusing on skills development.
- **Develop a model template for conducting a Stakeholder Analysis** for skills development projects using the PPDP model.
- **Include the Theory of Change thinking in the ProDoc stage**, to help identify and test assumptions about how things change in the PPDP contexts. This is a feature of similar USAID projects and is generally thought to add another level of thinking to the project description for systemic change.

#### WHAT IF WE WERE TO SET UP AN LKD FACILITY AGAIN?

Bear in mind that this is an evolving project, with constant new demands, new partners with new expectations that may not be in line with the Log Frame. What kind of project document would incorporate the constant learning and adaptive management that is needed in this project?



# Notes

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