

Requirements of the Labour market for Education in Economics in the Czech Republic

1 Initial Vocational Qualification

Vocational education and training (VET) has a long and well established tradition in the Czech Republic. It plays a significant role, especially at the secondary school level. A majority of the population (92.5%) moves up to the secondary school level after completing basic school. Secondary education is provided by either general education schools or by secondary technical and secondary vocational schools. More than 80% of students study in secondary technical or secondary vocational schools, less than 20% in general education schools.

Those leaving from initial vocational educational programmes acquire initial vocational qualification. Equivalent qualifications can also be acquired in continuing education courses. The level of initial vocational qualification is linked with the qualification which can be acquired by completing the particular relevant educational programme. There are three qualification levels in secondary vocational education:

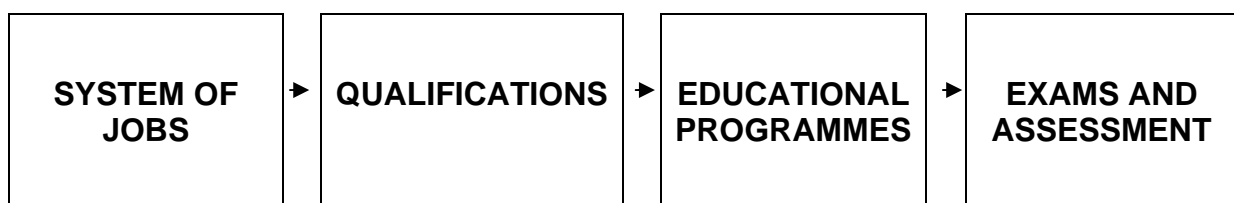
- one- or two-year programmes for apprentices (ISCED2C) entitling those who complete them to perform very simple auxiliary manual work in the field of services or production. These school leavers are employed as auxiliary workers in various sectors, such as chemistry, the food industry, wood processing or are employed as fishermen, gardeners, confectioners, health visitors and so on;
- three-year programmes for apprentices (ISCED3C) entitle those who complete them to perform crafts (e.g. shop assistants, locksmiths, motor-mechanics, bricklayers, roofers, cooks, tailors). The main aim of this type of vocational training is direct entry into the labour market. However, acquiring this level of vocational certificate enables students to progress to follow-up courses that lead to secondary education assessed by the Maturita examination (ISCED 3A and ISCED 4A);
- four-year study programmes (ISCED 3A) providing qualification for performing mid-level technical, business and other jobs (such as in health care, public administration, social welfare and the school sector). Educational qualifications at this level are a prerequisite for enrolment in post-secondary technical courses and higher education courses. The same qualification level can be acquired in follow-up courses (ISCED4A).

So, initial VET at secondary level is certified by:

- apprentice certificates (ICED 2C and ISCED3C); and
- Maturita certificates (ISCED 3A, ISCED 4A).

These certificates are issued by those schools which are approved as part of the school network by the Ministry of Education, Youth and Sports.

In the last few years there have been efforts in the Czech Republic to reflect labour market requirements in educational programmes. Initial VET is increasingly defined by a logic chain which is also valid in other European countries albeit variously modified. This logic chain can be represented schematically as follows:



At the beginning of the logic chain are jobs. The so called Integrated System of Typical Positions provides job characteristics, description and other important information (see <http://www.istp.cz/charlie/expert2/html/istp-eng/index-eng.html>). Generally, the description of qualification requirements should correspond to the qualifications which are recognised by the state. A “professional profile”, a Czech specific term, is very often used to determine the structure of a qualification. It is a certain standard which is intended to influence the aim and content of educational programmes at a nation-wide level. If professional profiles for particular fields of education can be viewed as a certain “order” from the sphere of labour, educational programmes can be perceived as a reaction to them. The system of assessment (examinations) leading to the award of vocational qualifications (competences), which assures the classification of achievements and their certification, is then the final step in the sequence set out above (see <http://www.nuov.cz/english/enindex.htm>).

The project “Development of the National System of Qualifications”, aiming at an intensive integration of the aforementioned elements and development of all these activities, was prepared in 2004. This project is intended to support the integration of initial and continuing education and will be co-funded by the European Social Fund between 2005 and 2008. The proposed project focuses on setting up a national system of qualifications and promoting its follow-up development. The proposed national system of qualifications will then provide a basic system framework both for initial and continuing education, and qualification recognition. In addition, it will provide assessment and verification of the results of non-formal and informal learning. It will specify both partial and complete qualifications as well as describe the mutual links between them. Moreover, it will also define qualification and

evaluation standards in a single and understandable format which will be made available, via an information system, to all stakeholders in lifelong learning.

2 Qualification requirements in economic and enterprise sector

The Integrated System of Typal Positions (ISTP) represents the new system of jobs and standard positions. It is based on the current situation in the labour market and contains descriptions of more than 1200 typal positions that are described by activities, examples of work and technical conditions necessary for performing a particular job. In addition, the normal requirements (suitable fields of education, required certificates and cross-sectional skills), necessary health condition and personal prerequisites for job performance are also presented. This extensive data base is available on the Internet (www.istp.cz) and can be used by both labour office staff and the unemployed, and by teachers and students. The designers of educational programmes, who analyse work positions from the viewpoint of required vocational competences, may use this data base as well.

The economics and enterprise sector comprises jobs and typal positions for economic activities such as banking, business administration, clerical work and trade. At ISCED 3A level (http://www.unesco.org/education/information/nfsunesco/doc/isced_1997.htm) are the following jobs (boldface) and corresponding standard positions:

Economist

e.g. customs officer, tax officer, invoice clerk, financial clerk, wages clerk, planner, cashier, debt clerk, budget specialist, bookkeeper, etc

Controller

checks up economic activities of a company

Statistician

collects, classifies, processes data, including verification

Bank clerk

bank cashier, stockbroker assistant, bank services clerk, cash payment and foreign cheque clerk, etc.

Insurance clerk

insurance clerk, insurance and financial adviser, insurance sales agent, etc.

Administrative clerk

assistant, register office clerk, foreign relation clerk, etc.

Personnel officer

Administrator

e.g. economic and administrative affairs clerk, care of the corporate property clerk

Sales and Brokering activities

e.g. share trader auctioneer, estate agent, etc.

Marketing

e.g. marketing agent, claim agent, etc

Tourist industry clerk

prepares and organises package tours, provides information about package tours and sales them

The National Institute of Technical and Vocational Education (NÚOV), in cooperation with so called field groups (hereinafter referred to as FG), oversees the functioning of the vocational education and training system. Field groups are advisory bodies composed of representatives of the social partners and teachers. There are 25 field groups - such as electrical engineering, food and drink industry, civil engineering, textile and clothing, and agriculture - and they have about 270 co-workers. The members of field groups are experienced experts who represent the interests of particular social partner employer organisations, trade unions, professional organisations, businessmen's organisations and school associations, such as the Associations of Secondary Technical Schools, and the Associations of Business Academies.

One of the FG tasks is to undertake sectoral studies of the qualification requirements of related groups of jobs. Such information on the requirements of employers for particular qualification that should be held by employees in individual sectors, fields and occupations is very significant for a broad range of users. For example,

- ❖ Vocational and Technical schools, which train students in order to help them to be successful in the labour market, can use this information to monitor that the education and training that they are providing matches the real needs of the labour market.
- ❖ Parents and students deciding on future jobs, and so choosing their field of education, can take account of the available information regarding the prospects of the chosen job or whether there might be a decline in the number of job opportunities in the chosen field.

- ❖ Workers performing different jobs, and who want to keep their knowledge and skills up-to-date with progress in their occupational area, can also look for information on changes in the qualification requirements of those jobs.

The Field Group for the Economics and Enterprise sector comments upon and discusses current situations and changes in jobs listed in the new system of jobs and typical positions (ISTP), e.g. economists, bookkeepers, clerical workers, bank clerks, insurance clerks, post clerks and other suchlike jobs. In 1988, the first sectoral study “Development of Qualification Requirements in the Groups of Related Jobs –Economics and Enterprise” was drafted based on the views of field group members. Five years later, the field group experts were asked to comment again on trends in the development of jobs in this field. The field group presented the views of the Union of Bookkeepers, Bank Association, Czech Association of Insurance Companies, Czech Post Office, and University of Economics. These experts gave serious thought to the character of expected changes in clerical activities, paper work, bookkeeping, banking, insurance and postal services.

2.1 Office and administrative work

Hand in hand with the development of ICT, companies are increasingly interconnected by information, financial and cooperation networks; office work is more centralised. Mostly companies no longer require people to fill narrowly specified positions such as typists and correspondence clerks, but are increasingly looking to develop assistant positions. Such assistants should have a relatively broad spectrum of knowledge in economics, human resource management and law. Moreover, they are expected to be able to communicate in two foreign languages, manage information and communication technology (ICT), and cope independently and creatively with their tasks. Naturally, the increase in demand associated with the development of these new positions is associated with an increase in qualification requirements. The usual and very frequent drawback of this prospect is the stressful environment of our companies where critical situations very often occur. But assistants must cope with them.

2.2 Book-keeping

International book-keeping standards are expected to be adopted now that the Czech Republic has acceded to the European Union. Since 2005, these standards have been adopted by the EU within community law. In a follow-up to the adoption of these standards, the national bookkeeping standards for small and medium Czech companies will be amended. Besides technical standards for book-keeping, the EU will also adopt educational standards. In compliance with these standards, secondary vocational schools will then teach the basics of book-keeping, which will be further developed in continuing education with the aim of students attaining professional book-keeping qualifications. Setting up an association (e.g. a chamber) of professional bookkeepers is expected. This will assure further professional development of bookkeepers and the maintenance of ethical codex of bookkeepers.

2.3 Banking and Insurance

The banking and insurance sector has undergone radical changes in the structure of employment. The sections which have direct contact with clients are expanding; on the other hand administration, book-keeping, personnel or logistic activities are being centralised and down sized. Banks want to know their clients well and divide them into groups according to the size of their business, the scope of used services, their profession, age, and so on. The banks then address each of these groups in a specific way in order to produce “a tailor-made offer” for them.

Today, it is no longer the current practice that a client comes into a bank and a bank clerk waits for and attends his needs. Rather this is the role of the increasingly important position of the personal adviser, who looks for clients, knows precisely how to determine and meet their needs, in order to satisfy the particular needs of that client. It is evident that such personal advisers must have excellent communication skills and some knowledge of psychology. Financial advisers teach their clients to work with bank systems, for example the use of direct banking services, and that is why the personal advisers must have some “teaching” abilities as well as the other skills and knowledge mentioned earlier. Now that phone and Internet banking are being developed, communication skills arising from use of the Internet and the telephone are also stressed.

The barriers keeping strong financial foreign partners from performing ownership rights and developing business strategies are expected to be removed gradually now that the CR has accessed into the EU. This will result in organisational and personnel changes in companies linked with foreign owners, i.e. the activities, which are necessary for the running of a bank or insurance, will now be transferred to headquarters. The inner culture of banks and insurance companies will also be influenced significantly.

2.4 Postal services

Great changes are also expected in the postal services sector which is currently being equipped with ICT, commercialised and its market globalised. The share of letter post is decreasing and the share of financial affairs (giro, banking, insurance and exchange services), goods distribution and services (direct mail, order services, stock control, packing and dispatching) and information services (e-mail and the Internet) is increasing at traditional post offices. The role of post offices as a mediator between citizens and state administration is also increasing.

Naturally, the qualification requirements for post office staff are also being changed. Besides the standard knowledge and skills necessary for post office services, staff now need banking knowledge, better communication skills (counselling for citizens and business clients, communication with the state administration and municipalities etc.) and appropriate ICT skills. In the post office sector, as with the banking and insurance sectors, a new category of postal services jobs focused on business clients – advisers for post services – is beginning to develop.

The sectoral study “Development of Qualification Requirements in the Groups of Related Jobs – Economics and Enterprise” is available on NUOV’s web site (www.nuov.cz). Studies dealing with hospitality and tourism, building industry, leather industry and others will be published.