



KPPC Research Agenda for the Human Capital Pillar



مركز الكويت للسياسات العامة
Kuwait Public Policy Center



*Empowered lives.
Resilient nations.*

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The Kuwait Public Policy Center

General Secretariat of the Supreme Council for Planning and Development

State of Kuwait

Pillar 2, Creative Human Capital involves reforming the education system in order better prepare youth to become competitive and productive members of the workforce, as well as improving the efficiency of education spending. The development of Kuwait's people through education and human capital improvement will be a key driver of achieving the vision and overcoming challenges.

Proposed Research Agenda

The proposed Human Capital research agenda includes 4 research areas and 14 topics selected based on KNDP strategic priorities and orientations:

Area 1. Labour Market

- 1.1 The social and economic impact of passive and active labour policies on unemployment: Evaluation study of PAM /MGRP policies, programs and employment services
- 1.2 Impact study on the economic effects of migration policies using scenario planning and Kuwait macro-economic model
- 1.3 Impact study the true cost of unemployment, underemployment and low productivity of Kuwait labour market
- 1.4 Study on the minimum wage options and potential effects on nationalisation of jobs in the labour market

Area 2. Education Sector

- 2.1 Benchmarking and comparative study on the state of innovation and scientific research policies in Kuwait
- 2.2 Impact study of new technologies and schools of the future: policy implications for Kuwait
- 2.3 Evaluation study of skills, competencies and the new standards for teachers professional development
- 2.4 Impact study of the link between higher education system and FDI: key challenges, opportunities and policy implications for Kuwait

Area 3. Education Outcomes and Labour Market Needs

- 3.1 Impact study of Kuwait skills and jobs national survey: building the knowledge and evidence base for the future of jobs
- 3.2 Evaluative study of VET policies and programs in Kuwait: towards better alignment with industry needs
- 3.3 Evaluative study of lifelong learning and training policies in Kuwait: key barriers and recommendations

Area 4. Enhance Human Capital Governance and Capabilities

- 4.1 Benchmarking and comparative study on Education - Industry relations and governance: mapping global practice and defining the governance model for Kuwait to mitigate the skill-gap and misalignment
- 4.2 Impact study on the efficiency in public spending on education: assessing the options and models for public private partnerships in Kuwait
- 4.3 Evaluative study of the regulatory framework for the education sector and labour market: assessing the gaps and defining future needs
- 4.3 Impact study on the skill-gap assessment and anticipation IT systems: review of the international experience, key features and requirements for an integrated model for Kuwait

Area I. Labour Markets

I.1 The social and economic impact of passive and active labour policies on unemployment: Evaluation study of PAM /MGRP policies, programs and employment services

Context and Policy Gaps

i) High unemployment of Kuwaiti youth; ii) public sector job inflation; iii) high expenditure on passive labour market programs in Kuwait through the PAM/ MGRP program; iv) low participation rate of nationals in the private sector.

Research Objective

The objective of this research is to examine the impact of labour market policy measures (passive and active) on employment outcomes of nationals in the private sector. The research seeks to assess the existing policies, programs and services offered by the government mainly through PAM and MGRP and evaluate their impact since their creation in order to draw lessons and provide recommendations for adjustments. The research will be based on evidence and analysis of actual data in order to evaluate the size, the nature and quality of the impact and identify opportunities for improvements.

Key Research Questions

- What are the existing employment policy measures, programs and services offered? Require a mapping of all programs and services and relevant details (benefits, target groups, etc.)
- Cost-benefit analysis of each program and service offered to assess the impact achieved to date?
- How does the impact of various programs and services vary across groups of job seekers? Impacts like employability in the private sector, earning levels, and duration of employment in the private sector, level of transition from private sector to the public sector and vice-versa?
- How can employment policy measures, programs and services be enhanced and improved?
- What are the appropriate metrics to inform program design, employment services and their implementation?

Expected Outputs

Policy evaluation and recommendations to update and feed into the existing labour market policy measures based on actual data and evidence analysis of PAM/MGRP policies, programs and employment services.

I.2 Impact study on the economic effects of migration policies using scenario planning and Kuwait macro-economic model

Context and Policy Gaps

i) Demographic imbalance; ii) marginal workers; iii) government orientation and debate surrounding the restiveness of migration; iv) lack of analytical framework to assess the various scenarios.

Research Objective

The research objective is to support and inform the government debate regarding the demographic imbalance and develop the necessary analytical framework to assess the impact of policy orientation on migration restiveness and its economic implications. Specifically, the research will investigate how current migration policies and regulations and the various scenarios for reducing or increasing number of foreign workers in certain economic sectors may impact the economy in terms of real estate market, healthcare and education sectors.

Key Research Questions

- What are the determinants of migration policies in Kuwait?
- What are the recent trends in the GCC region for migration policies and in particular the issue of sponsorship system, residency and work permits?
- What are the current gaps and challenges in the migration regulation and policies in Kuwait?
- What are the different possible scenarios for government to restrict migration and achieve demographic imbalance?

Expected Outputs

Develop a policy framework to update and enhance migration policies and regulations in Kuwait in order to meet the demographic imbalance with achieving the growth agenda.

I.3 Impact study the true cost of unemployment, underemployment and low productivity of Kuwait labour market

Context and Policy Gaps

i) Low ranking in competitiveness; lack of evidence base around the cost of unemployment, underemployment and productivity in the labour market and their long term implication.

Research Objective

This research objective is to assess the implications of long term unemployment, underemployment and low productivity as key indicators from which the adequacy and success of active labour market policies and programs (public employment services) can be judged. These 3 indicators usually bring considerable challenges: as unemployment duration increases, the connection to the labour market deteriorates, with a sharp decrease in the likelihood of re-employment in stable jobs, and an increase in the risk of inactivity. The longer the unemployment period, the more support is needed to help people return to the labour market. Barriers to participation tend to accumulate, often requiring the involvement of more support services (financial, social, etc.).

Key Research Questions

- How can we measure the true cost of unemployment, underemployment and low productivity in the labour market in Kuwait?
- What is the analytical framework and methodology that can be used to build the right tools to assess the true cost and their social economic implications?
- What are the policy measures to mitigate the negative effects of unemployment, underemployment and low productivity?

Expected Outputs

Develop policy recommendations to mitigate the impact of unemployment, underemployment and low productivity in the labour market.

I.4 Study on the minimum wage options and potential effects on nationalisation of jobs in the labour market

Context and Policy Gaps

i) Lack of evidenced-based research and policy on the impact of minimum wage policy options.

Research Objective

The main objective of the reserach is to build an analytical framework using existing evidence from PAM database to investigate the effects of minimum wage in the private sector and potential options for implementation accross the labour market, or priority sectors and sub-sectors where nationalisation of jobs is essential. Considering now Kuwait is the first country to establish a minimum wage for expatriate workers in the private sector there is a need evaluate policy options to expand the policy for national workforce.

Key Research Questions

- Assess the effect of minimum wage in the private sector using actual pay data and wage subsidies from Public Authority of Manpower and MGRP
- Build the analytical framework to cover the extent to which effects differ across different labour market sub-groups or under different economic conditions;
- Assess to what extent a minimum wage support or hinder nationalization of jobs in the private sector;
- Assess the effects on firms and workers;
- Develop scenarios and assess the costs and benefits of a minimum wage;
- Identify potential impact that a minimum wage for expatriates to curb marginal employment.

Expected Outputs

Develop a policy options for the implementation of minimum wage in the private sector.

Area 2. Education Sector

2.1 Benchmarking and comparative study on the state of innovation and scientific research policies in Kuwait

Context and Policy Gaps

i) Low ranking of Kuwait in the scientific research indicators of the global Competitiveness report; ii) decline in the share of spending in the scientific research still less than 0.1% of GDP.

Research Objective

The objective of the study is to conduct a detailed benchmarking and comparative study to assess the state of innovation and scientific research in Kuwait and build the baseline for a national agenda supported by the right set of regulations and policies including financing models.

Key Research Questions

- What is the state of innovation system in Kuwait? And is there a national agenda for scientific research ?
- What are the current policy gaps for the innovation and scientific research in Kuwait?
- What are the current government expenditures on scientific research versus private sector investments?
- Who are the stakeholders and what are the main programs and initiatives that promote and implement the scientific research in Kuwait?
- What are the barriers and limitations in terms of: quality of scientific research institutes, university contribution to industry R&D; limited patents registration; research and research training services; numbers and availability of scholars and engineers?

Expected Outputs

Develop a comprehensive innovation and scientific national policy agenda for Kuwait in line with global trends and local needs to achieve Kuwait vision 2035.

2.2 Impact study of new technologies and schools of the future: policy implications for Kuwait

Context and Policy Gaps

i) Low ranking in education quality and competitiveness;

Research Objective

The main objective of this research is to investigate recent global trends and best practice in using new technologies to support education reforms and build the schools of the future. New technologies examples include the use of social media to allow learners and educators share thoughts and ideas, iPad and computers, digital simulations and models, flexibility and online learning platforms, more efficient assessment, e-books, etc.

Key Research Questions

- What are the recent global trends in new technologies and their applications in the education sector?
- What are the emerging challenges for adopting and adapting new technologies in the education system?
- What are the underlying social, economic and cultural barriers for adopting new technologies?
- How can the government adopt new technologies and achieve cost reduction?

Expected Outputs

Develop policy framework that will enhance and inform government on how to maximize the use of new technologies in the education sector.

2.3 Evaluation study of skills, competencies and the new standards for teachers professional development

Context and Policy Gaps

i) Low ranking in education quality; ii) lack of teachers assessment and professional qualifications framework and development.

Research Objective

The main objective of this research is to investigate how the government currently evaluate the skills and competencies of teachers and assess the gaps and formulate policy orientation to update the standards for teachers professional qualification and development.

Key Research Questions

- What are the existing policies and regulations governing teachers assessment?
- How is the current education reform addressing the low level of teachers qualifications?
- What can we learn from international trends and standards?
- How can the government strengthen its control over work permits for teachers to ensure to attract the best talent considering the shortage of teachers?
- How can the government develop, implement and enforce teachers professional qualification and development?

Expected Outputs

Develop policy recommendations for new standards for teachers professional qualification and development.

2.4 Impact study of the link between higher education system and FDI: key challenges, opportunities and policy implications for Kuwait

Context and Policy Gaps

i) Low ranking of Kuwait in the scientific research indicators of the global Competitiveness report; ii) decline in the share of spending in the scientific research still less than 0.1% of GDP.

Research Objective

The research objective is to examine the link and explore the spillover effects, both direct and indirect of FDI inflow on higher education development and system in Kuwait.

Key Research Questions

- What are the existing policies and regulations affecting FDI promotion in Kuwait?
- Are there any strategic mechanisms linking FDI with Human Capital in Kuwait?
- Can the State of Kuwait assess and evaluate any spillover effects of FDI on higher education?
- What can we learn from the international and regional experience?
- What policy measures and instruments are needed?

Expected Outputs

Develop a policy recommendations that will enhance government interventions and create strategic linkages between the higher education system and FDI promotion.

Area 3. Education Outcomes and Labour Market Needs

3.1 Impact study of Kuwait skills and jobs national survey: building the knowledge and evidence base for the future of jobs

Context and Policy Gaps

i) Low ranking of Kuwait in the scientific research indicators of the global Competitiveness report; ii) decline in the share of spending in the scientific research still less than 0.1% of GDP.

Research Objective

The research objective is to conduct the first national skills and jobs survey in Kuwait to assess the extent of mismatch and examine the drivers of skills development and the dynamic evolution of skills mismatch in relation to the changing skills required in the priority economic sectors. The rationale of the survey builds on the EU “European skills and jobs (ESJ) survey”, the first survey on skill mismatch carried out in back in 2014 and covering 28 EU country members.

Key Research Questions

- The survey is expected to detect education and skill needs in priority economic sectors that will drive Kuwait diversification agenda (i.e: renewable energy, clean tech, STI, healthcare, etc.) to map about 100 priority occupations and assesses the extent to which basic, digital and transversal skills of individuals are valued in the job market. It also investigates the capacity of initial (e.g. work-based learning) and continuing vocational education and training to mitigate skill mismatch.

Expected Outputs

Build the knowledge and evidence-base around the skills and jobs, conduct National skills and jobs survey and statistical report, policy framework to address key findings.

3.2 Evaluative study of VET policies and programs in Kuwait: toward better alignment with industry needs

Context and Policy Gaps

i) Low ranking of Kuwait in the global Competitiveness report.

Research Objective

This research will focus on the VET policies and programs in order to enhance employability of nationals and create more systematic and sustainable with industry.

Key Research Questions

- What are the existing policies and regulations governing the VET?
- What are the main barriers and challenges to have nationals more enrolled in VET?
- How can we assess the VET education outcomes and performance over the last 5 years?
- Investigate where are the VET graduates employed after graduation and what are the level of their earnings?
- What are the main gaps in the VET curriculum?
- Are industry and private sector employers currently engaged in defining programs and content?
- What are the policy instruments, incentives and measures to enhance the VET in Kuwait?

Expected Outputs

Develop policy recommendations on how VET in Kuwait can enhance industry participation in defining training packages, content, etc.

3.3 Evaluative study of lifelong learning and training policies in Kuwait: key barriers and recommendations

Context and Policy Gaps

i) Low ranking of Kuwait in the higher education and training indicators of the global Competitiveness report; ii) lack of a national strategy to address and promote life long learning and upskilling of workforce; iii) fragmented approach and lack of ownership

Research Objective

Lifelong learning and training is an indispensable policy measure and constitutes a backbone of many development strategies and studies on different levels. Perpetual inclusion/participation of adults in education, as well as the strengthening of their competitiveness and self-esteem in the face of unemployment. The focus of this research is to examine lifelong learning and training specifically in the context of the human capital model which promotes lifelong learning for professional development, for the needs of workforce development (lifelong learning and training for employability).

Key Research Questions

- Exhaustive review of related regulation and policies currently in place that support or hinder the lifelong learning in Kuwait.
- This review will examine major education institutions (MoHE, Kuwait University, KISR, Public Authority for Applied Education and Training, Civil Service Commission, etc.).
- How the private sector is engaged in upskilling its workforce (both national and expatriate workforce)? Are there straightforward workforce strategic planning that include lifelong training for professionals?
- How public expenditure is funding lifelong learning?
- Evaluate the state of lifelong: weaknesses and strengths of existing system in terms of incentives, outcomes, etc.

Expected Outputs

Develop a comprehensive policy agenda for lifelong learning which includes strategic orientations for the various key target groups.

Area 4. Enhance Human Capital Governance and Capabilities

4.1 Benchmarking and comparative study on Education - Industry relations and governance: mapping global practice and defining the governance model for Kuwait to mitigate the skill-gap and misalignment

Context and Policy Gaps

i) Low ranking of education quality; ii) misalignment between education outcomes and labour market; iii) low participation rate of nationals in the private sector.

Research Objective

The main objective of this research is to examine the existing barriers for a successful and sustainable education- industry collaboration and develop options for the institutional setup and governance model.

Key Research Questions

- What are the key global trends and experience in education - industry relations and key lessons for Kuwait?
- What is the state of education – industry relations in Kuwait?
- What are the key barriers and opportunities?
- What the options for education-industry collaboration and governance?
- Who are the main stakeholders?
- What are the right incentives for industry to participate?

Expected Outputs

Develop education - industry governance model for Kuwait, supported by policy measures and implementation roadmap.

4.2 Impact study on the efficiency in public spending on education: assessing the options and models for public private partnerships in Kuwait

Context and Policy Gaps

i) High government expenditure on education and Low ranking in the education quality;

Research Objective

The main objective of this research is to investigate how the government can engage the private sector through public private partnerships in order to achieve efficiency in public spending on education. The research will develop the analytical framework and develop the options and models more suited for Kuwait based on global and regional trends.

Key Research Questions

- What are the main inefficiencies in public spending on education? What are the indicators to measure spending inefficiencies?
- Is there currently a way to model the funding options for education?
- How can the government engage the private sector? what are the models available?
- Is there a clear strategy and a roadmap for the government to address the financial inefficiencies (at all levels: general education, VET to higher education)?

Expected Outputs

Develop a financial strategy for the education sector which includes options and action plan to engage the private sector.

4.3 Evaluative study of the regulatory framework for the education sector and labour market: assessing the gaps and defining future needs

Context and Policy Gaps

i) Low ranking of Kuwait in the global Competitiveness report.

Research Objective

The main objective of this research is to conduct a systematic and a comprehensive regulatory review of all policies and regulations governing the education and labour sectors. The research focus on the sectors simultaneously will allow better analysis results around the misalignment between the tow areas.

This review will also provide insights to the government about main policy gaps and inconsistencies and provide recommendations to address these gaps. The research will be supported by a benchmark of global trends and practice that are relevant to Kuwait.

Key Research Questions

- What are the set of regulations and policies governing the education and labour market sectors?
- What are the main gaps and inconsistencies?
- What are the global trends and best practice?

Expected Outputs

Develop policy recommendations to bridge the regulation gap in the education and labour market sectors,

4.4 Impact study on the skill-gap assessment and anticipation IT systems: review of the international experience, key features and requirements for an integrated model for Kuwait

Context and Policy Gaps

i) Low ranking of Kuwait in the higher education and training indicators of the global Competitiveness report; ii) misalignment between education outcomes and labour market; iii) low participation rate of nationals in the private sector; iv) high level of expenditure on education and scholarships; v) high youth unemployment rate.

Research Objective

The main objective of this research is to examine international experience in the area of skill-gap assessment and anticipation IT systems that will allow the government to gather, analyze and disseminate data and information.

The research will examine also the methodologies for Anticipation and matching approaches best suitable for the conditions and context in Kuwait.

Key Research Questions

- What international standards are used to define skills and competencies in labour market and the education system?
- Are the existing system compatible and aligned with international standards (like the EU ESCO or ISCO)
- How are skill-gap data captured? What systems are used?
- And how are key stakeholders from the education sector and industry entering their information?
- What are the key features for an integrated system in Kuwait?

Expected Outputs

Develop key features and business requirements for an “integrated skill-gap assessment and anticipation system”.



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