Korea’s Qualification System:
Current Issues and Measures

Soon-Hie Kang
(Director of the Research Planning and Coordination Office, KLI)

| 1. Introduction |

The knowledge-based economy in which knowledge and information are the main factors of production and main sources of value-added has unfolded. Unlike the traditional economic paradigm, in the knowledge-based economy, the principle of increasing returns is applied and thus profit of the latecomer decreases and the notion of ‘winner takes it all’ is pervasive. Consequently, a new human resources development (HRD) paradigm needs to be drawn up which centers on the survival from competition by maximizing the creation, acquisition, sharing and use of knowledge while at the same time minimizing factors of crisis including digital divide and inequality.

The function of qualification needs to be reset so as to maximize the effect of HRD in such a knowledge and information-based society. This is mainly because as the use of knowledge and information spreads further, qualification’s function as an axis that signals human resources and guides competence development becomes all the more important. In the knowledge and information-based society, the value of human resources determines competitiveness and the quality of life. As result, the need is rising amongst businesses, individuals and the government sector for information which objectively demonstrates the value of human resources to enable the effective scouting, developing, deploying and use of human resources. In other words, qualification is highly anticipated to contribute to the efficient distribution of human resources by inducing competence development in line with the changes in the industrial demand and by functioning as a signal that guides the development of competence for lifelong jobs of individuals.
Furthermore, with the cycle of skill practice becoming shorter and the mobility of labor force becoming more flexible, the external labor market is witnessing rapid development. As a result, information on human resources is becoming further asymmetrical and thus the anticipations are rising regarding the role of qualification as a signal mechanism.

In the knowledge and information-based society—mainly represented by rapid change in technology—it is essential for an individual to continue learning and developing oneself in order to sustain a stable economical activity. Therefore, an individual bounds to acquire qualifications along with degrees as a kind of a sign or a placard which represents the continuous development of oneself and developed competence (“sheepskin effect”).

However, with qualification failing to appropriately respond to the changes in the industrial and labor market even in advanced countries where education and training were regarded to be successful, its function as a national-level standard of competence has been undermined and consequently qualification has been criticized for being unsuccessful as a signal and guideline of competence. In Korea, qualification has especially foundered to effectively affect the demand in the labor market which has resulted in a decrease in the currency and utilization of licenses in the industrial sector. In addition, qualification, education, and training, and work are not being well interlinked, so vocational education and training, and qualifications are being pursued separately. Consequently, instead of inducing a competence-oriented society, qualification is embroiled on the evil practices of scholastic ability supremacy on top of being used as a means to indirectly acquire degrees.

In this regard, at the present stage, it is essential to renew the vision and direction of the qualification system and seek ways of developing the qualification system—including the National Technical Qualification System (NTQ)—by carrying out an overall study on the qualification system in Korea. In other words, qualification needs to appropriately reflect the demand of the industrial society as well as present direction and measures that can enhance the social usage of qualification by inciting development of lifelong competence. This can be approached in two main ways. First, a qualification framework needs to be set in place that institutes: the direction of the qualification system and standard system of competence at the national level; direction of such qualification and standards; and the relationship between qualifications and standards. Second, based on this framework, the government should present the direction and task that will enable the NTQ system—which has had huge influence on qualification systems—to play its role as the key qualification system. In this regard, this paper aims to reexamine the functions and roles of qualification and based on such revision, to study the current situation and problems of Korea’s qualification system to address in-depth the direction of reorganization and policy-wise measures of the qualification system in Korea.
II. Significance of Qualification

1. Definition and Types of Qualification

A. Definition of Qualification

In general, qualification refers to the official accreditation of a current or future worker’s level of expertise and quality required in a particular job. According to the European Centre for the Development of Vocational Training (CEDEFOP), qualification is defined to be an official accreditation of a standard or set of standards expressed through a certificate, diploma or any other form of evidence (CEDEFOP, 2001). Under this context, a certificate of qualifications does not refer to solely the general technical and skill-related certifications, but also encompasses licenses, degrees as well as diplomas in education and training.

However, given the differences in the socioeconomic environment, education and training system, and qualification system of each country, the definition of qualification in actuality differs in every country. In Europe where education and training are carried out together or in an integrated manner, the concept of vocational education and training (VET) is widely known, thus it is difficult to distinguish vocational education and vocational training. In this case, the link between VET and general education is underlined, thereby qualification is used widely to encompass degrees. To this end, the issue of equivalence among academic qualifications vocational qualifications and degrees is emerging as a vital issue. Meanwhile, in Korea, the United States and Japan where education and training have been conducted separately, even though the connection between education and training has been underlined recently, qualification is distinguished from degrees and in general there’s a strong tendency to use qualification in a narrow sense by regarding it as an accreditation which has undergone official approval of a related organization. In other words, the degree-holder of the related sector needs to pass the qualification examination separately in order to have a certificate of qualification of that area.

A qualification is usually accredited through the following methods:

(1) Certification by a related organization. This method is the most widely used in Korea and Japan. Public organizations—including the government and the Human Resources Development Service of Korea—and private organizations execute separate qualification exams and grant qualification certificates to those who pass the exams. In the United Kingdom, France and the British Commonwealth of Nation, this method is used along with other types of accreditation methods.

(2) Completion of courses in education and training. One does not need to take a
separate examination to acquire a certificate of qualification, but rather complete certain courses in education and training. In this case, the diploma becomes the certificate of qualification. In order for this diploma qualification to take full effect, the quality control of the education and training must be substantial so as to appropriately meet the competence and skill needed in that certain job position. Therefore, in countries where such a method is being implemented, at the time of completing a course, a strict verification process that is proportionate to an actual qualification exam is carried out, thus only those who pass this process can acquire a diploma, and public trust of having completed a course and social currency are secured.

(3) Recognition of work experience or on-site experience. Once it is certified that the competence responds to the official qualification following assessment of the work or field experience, qualification is granted. Recently with relation to this method, the importance of prior learning in addition to informal and non-formal learning is being underlined. In Korea’s case, one can apply for most of the national technical qualifications with work experience alone and without education attainments or a completion of courses in education and training, and once you pass the exam, you can acquire a certificate of qualification. It can be said that such a method is already being actively implemented.

B. Types of Qualification

Qualification can be divided into the following categories depending on the main subject, the coverage of the competence of the job and the functions of that certain job.

<Chart 1> Types of Qualification

<table>
<thead>
<tr>
<th>Classification</th>
<th>Types of Qualification</th>
<th>Content of Qualification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Function-wise</td>
<td>Exclusive License Operation</td>
<td>Qualification in which without the relevant qualification, that certain work cannot be carried out -Divided into two types based on the scope of exclusiveness of the certificate holder: the type with a wide scope of one’s occupation (doctor, lawyer, tax accountant, certified public accountant, certified public worker) and the type with limited scope of line of work (electric and gas safety, construction safety and fire fighting facilities)</td>
</tr>
<tr>
<td></td>
<td>Competence Recognition</td>
<td>Qualification which recognizes the function and knowledge of the relevant field of work; Does not necessarily mean that one cannot work in the relevant area without a qualification in that relevant area</td>
</tr>
<tr>
<td>Content-wise</td>
<td>Professional Qualification</td>
<td>Qualification which shows the degree of learning the necessary knowledge and skills in carrying out one’s given duties in particular jobs</td>
</tr>
<tr>
<td></td>
<td>General Qualification</td>
<td>Qualification which certifies the degree of learning knowledge and skills that can enhance the efficiency of work execution throughout various vocations</td>
</tr>
</tbody>
</table>
2. The Functions and Requisites of Qualification

A. Functions of Qualification

Qualification carries out four main functions in the labor market. First, qualification operates as a signal that demonstrates the level of competence of an individual who is or wishes to become a worker. In order for this signal to activate effectively, mechanisms that reflect the competence—certification system including discernment of competence and index—must be well provided so that the competence that an individual possesses in a certain field can be relevantly indicated.

Second, qualification guides the formation and enhancement of vocational competence in line with society’s demand. In this regard, it is imperative for industrial leaders to identify and qualify the necessary job capabilities and to predict and quality promising job capabilities in the future. For this function to be effective, incentives that induce members of society to acquire qualification must be put in place by establishing appropriate social assessment and compensation with regard to qualification. In other words, by fully reflecting the competence needed in industries, it is most important for qualification to acquire recognition as a fair evaluation from the market.

Third, when recruiting talents, businesses use screening devices to screen qualification. The employer utilizes various screening devices including written applications, examinations and interviews to pick out talents who could be of help to the business with their top quality. In this case, qualification serves as a vital evidence of competence along with formal education. There may be some controversy over how effective qualification is in being an objective index of an individual’s competence or in showing the competence conditions that a business needs. However, given that qualification is regarded as the minimum criterion which signals the required
competence in the related area, having a qualification is favored in the recruitment process.

Fourth, qualification operates as a license which protects and enhances the vocational interest of certificate holders by securing the certificate holders’ competence—in particular intellectual property and exclusive job position—and by giving preferential treatment in recruitment and promotion. A license is a kind of a barrier to entry which permits only those who have been officially recognized through fixed procedures under certain conditions to work in the certain related field. If the function of a license is exaggerated, it can limit competition, hampering the provision of high-quality products. At the same time, if that function is too weak, incentives for creative products or development of human resources can be undermined. Furthermore, even if it may not be a license of a complete barrier to entry, in the event having a qualification serves as a preferential treatment factor in recruitment, promotion or arrangement, qualification can bring about economic profit to the certificate holder by functioning as an entry regulation mechanism.

B. Requisites of Qualification

In order for qualification to fully function in ways mentioned above, the following conditions need to be met in managing qualifications.

(1) Transparency: In order to fully play its role as the signal of the value of human resources, qualification must be managed so as to transparently demonstrate the necessary information on the competence of the certificate-holder.

(2) Currency: Once qualification secures transparency and consequently its social currency expands, it will become the criterion in evaluating the value of human resources and will trigger a decrease in personnel management-related costs including registration, recruitment, arrangement, and education and training.

(3) Access and equity: If qualification signals one’s capability and guides capability development, the number of people who wish to acquire qualification will increase and in this case, all such people must be granted equal access to the opportunity to acquire certification without having to pay high costs.

(4) Transferability: A qualification must be transferable with other certification or similar standard and must be partially or wholly replaceable. An equivalence between qualification or similar standards needs to be secured for transferability between qualifications.

(5) Economy: Socioeconomic costs must be decreased by pursuing cost-effectiveness which will lead to the achievement of the anticipated objective with the least costs in terms of management of the qualification system.

(6) Flexibility: The management of qualification system must respond flexibly with the industrial and technological changes, and with social demand.

(7) Consistency: Because qualification is a kind of social standard, it must maintain consistency in order to provide a fixed systematic signal and credible information to the members of society. However, consistency can contradict with the abovementioned flexibility.
Among the abovementioned conditions, there’s room for friction—both partial and total depending on the direction of management—and such contradictory factors among requisites of qualification must be taken into full consideration upon scheming the management and operation of the qualification system. In this regard, while proclaiming the standard 5 stage qualification level of the European Union, it is worth referring to methods underlining sectoral approach—such as type of jobs—and social partnership in addition to trying out joint curriculum vitae(CV) and supplements, all in line with each country’s autonomy.

C. Qualification System and National Obligation

In order for qualification to fully realize all the functions mentioned above, the requisites for the management and operation of the system need to be properly put in place backed by flexible management. For these points to actualize, active role at the national level for development of the qualification system is essential. The duties of the government for the development of qualification system can be narrowed down to the following: (OECD, 1996).

A country must: establish a qualification system that enhances the overall vocational competence of the people; set up necessary rules for the skilled labor market to function based on the qualification system; and enable the qualification system to operate as a framework of assessment and accreditation on the human resources of the country. Finally, a country must promote and support the qualification system so that it can secure consistent quality and credibility.
III. Current Status and Problems of Korea’s Qualification System

1. Outline

Korea’s qualification system has placed its main goal in fostering key manpower needed for national economic development since the beginning of the 1950’s after national liberation. National qualification—managed by the government—and private qualification, issued and managed by private groups, associations and business have seen separate progress. As of August 2002, the qualification system of Korea based on the accreditation and main subject of qualification, can be divided as shown in Figure 1.

[Figure 1] Korea’s Qualification System (as of August 2002)

National Qualification
- National Technical Qualification
  - 622 items (26 jobs) -NTQ Act
- Other National Qualification
  - 120 items (18 jobs) -Separate Legislations
- Authorized Private Qualification
  - 35 items -Basic Act of under 24 Specific Ministries
- Non-Authorized Private Qualification
  - ? items -Basic Act of Ministry of Labor
- In-Company Qualification
  - 31 items under -Employment

Reference Materials:
Human Resources Development Service of Korea, Annual Statistics Report of National Qualification in Korea
A. Current Situation of Each Subject of Management of Qualification

(1) National Technical Qualification

The National Technical Qualification (NTQ) is managed and administered by the government (the Ministry of Labor) and is the central qualification system in Korea. The NTQ can be mainly divided into technical and skill group, and service group. As of August 2002, there are 622 items of qualification under 26 jobs and among them machinery (123 items) and metal (48 items) accounted for 27.5% of the total. The technical/skill group is classified into 5 levels: professional engineer, master craftsman, engineer, industrial engineer and craftsman. Meanwhile, the service group is classified into business service group and other services group. The business service group is again divided into basic business—stenography, secretarial work and other 19 items—and professional business under which there are 17 items including job counselor and social survey analyst. Basic business is classified into levels 1, 2, and 3, whereas professional business is classified into levels 1 and 2. Other services are classified into industrial engineer and craftsman.

The qualification for the application of the NTQ differs with every level, however in the case of craftsmen, there are no restrictions in the application qualification. The levels above industrial engineers require formal education or work experience, however given that 689 items (94.7%) are qualifications which can be applied for with only work experience, it can be said that Korea already has a system which credits informal and non-formal prior learning. In the case of NTQs which absolutely require scholastic abilities, qualifications which require high school diplomas and college diplomas amounted to 21 and 17 respectively.

NTQ-holders of the technical and skill group stood at 7.36 million as of 2001. If the number of certificate holders in the business service field estimated by the Korean Chamber of Commerce and Industry (2.68 million) is added, the number of NTQ-holders in the country amounts to 10.04 million. If the number of other national and private qualification-holders is additionally taken into consideration, even if there are overlapping qualification holders, the number of people who have certification is estimated to be over 7 million. Based on this figure, it can be seen that more than 20% of the population over the age of 15 and more than 30% of the economically active population have at least more than one certification.

However, when looking at the NTQ-holders based on qualification levels, craftsman accounted for 73.3%, industrial engineer 12.4%, engineer 8.8%, assistant engineer 5.1% (holder before 1999), professional engineer 0.3% and master craftsman
0.1%, thus highly-skilled and highly-technical professional engineers and master craftsmen accounted for less than 10% of the total of the qualification holders.

![Figure 2] Level Distribution of NTQ-Holders

(2) Other National Qualifications

Qualifications other than for the NTQs are those independently managed and operated by Ministries based on separate legislations. As of 1999, there are 120 items of qualification under 24 Ministries based on 56 separate laws. Such qualifications include certifications for architects, accountants and lawyers. With relation to the number of the type of national qualification per Ministry, the Ministry of Health and Welfare has 27, Ministry of Construction and Transportation 15, Ministry of Maritime Affairs and Fisheries 14, Ministry of Culture and Tourism 10, Ministry of Agriculture and Forestrries 8, Ministry of Education 7 and the qualifications for the remaining Ministries amount from one to four.

In these national qualifications, the concept of job field is not used however when classifying these other national qualifications in a similar fashion to that of NTQs, there are 27 qualifications in the welfare and health area, 24 in the professional business area, 15 in the maritime affairs area and 12 in the education and social welfare area. When classifying qualifications by including the abovementioned qualifications with the NTQs, it could be said that there are national qualifications in a total of 30 job fields.

While most NTQs do not have restrictions in terms of application, about 34% of the other type of national qualifications place restrictions in the process of application. In particular, qualifications which require formal education higher than that of a university degree grant the qualification for application to only those whose major in
college is related to the particular qualification. Among the other type of national qualifications, 25% are qualifications with levels, and most of them are comprised of three levels.

(3) Private Qualifications

Private qualifications are qualifications managed and administered by private associations, organizations and businesses. Authorized private qualifications are the qualifications authorized by the government which meet the criteria established under the “Basic Act on Qualification”. They are regarded in the same manner as NTQs. Business-internal qualification is a type of private qualification operated by businessmen on workers in a company.

Private qualification was first actively introduced by enacting the “Basic Act on Qualification” in 1997. The aim of private qualification is to enhance the policies framework of qualification and to strengthen the link between education and the labor market. Any business, group or individual can issue a private qualification by becoming a manager of private qualification, with the exception of those that are against social rules; have the possibility of harming virtuous morals; are directly related to the life, health and safety of the public; or require a high-level sense of morality. As such, private qualification is a leap forwards in the sense that it facilitated the qualification system by strengthening the connection with the labor market. However, with the establishment, management and operation of private qualification being fully entrusted to the private qualification manager, problems are emerging surrounding the issue of quality control, false and overstated advertisement, social criticism and consumer damage following central operations and poor connection among qualification systems. In addition, given the absence of registration for the establishment and abolishment of private qualification, accurate information on the management and situation of private qualifications is yet to be analyzed.

As of 2001, a study by KRIVET showed that there were 459 items of private qualification. However, according to experts on private qualification, the items were estimated to be 1000. It is regarded to be difficult to identify the type of occupation, area, certification method of qualification and method of quality control by the certificate-holder.

Authorized private qualification refers to a private qualification which is a certification authorized by the government and meets the standard set by the “Basic Act on Qualification” (connection with the vocational education and training; being in line with the industrial demand; conditions that can secure transferability among qualifications and international currency). As of August 2002, there are 35 items of authorized private qualification in 8 Ministries.

Among the in-company qualifications voluntarily operated by businessmen,
there is an internal qualification accredited by the Ministry of Labor. It is situated under projects to which employment insurance is applied and in case the qualification is in line with the certification standards of the Ministry of Labor, the entrepreneur is granted with qualification development fees and certification management fees. The objectives of the general private qualification and internal qualification differ in that general private qualifications aim to acquire knowledge and technology that can be commonly used in society, whereas business-internal qualifications aim to enhance certain occupation’s capabilities within the business. As of 2002, 31 qualifications of 11 businesses are credited as “credited business-internal verifications” of the Ministry of Labor.

Lastly, there are the international qualifications in which the subject of qualification accreditation is abroad and which can be commonly used internationally. The most widely known kind of international qualifications are: technology-related qualifications in which companies such as Microsoft, Oracle and Sun credit the competence of technological use on their products; and economy-related qualifications such as AP, AICPA and CFA.

In order to secure the NTQ’s international currency, the government has concluded a mutual-recognition agreement of IT Qualification between Korea and Japan. Furthermore, in order to promote further exchanges, ways are being sought to expand the items and countries of recognition. In addition, based on the APEC Engineer Mutual Recognition Project, currently mutual qualification is recognized in the two areas of engineering and construction. However, this scope is to be expanded to include 9 technical areas including information, environment, machinery, and electronic engineering. Other national qualification-holders including registered architects are also making efforts make entry into international organizations in a bid to enhance the quality of qualification and secure international currency.

<Chart 2> Current Status of National Authorized Private Qualification (As of August 2002)

<table>
<thead>
<tr>
<th>Government Ministries</th>
<th>Qualification Manager</th>
<th>Qualification Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry of Finance and Economy</td>
<td>Korea Training for FP Exam Academy</td>
<td>Credit analyst, loan inspector, international finance expert</td>
</tr>
<tr>
<td>Ministry of Education and Human Resources</td>
<td>Korea Association of Korean Language</td>
<td>Chinese character levels</td>
</tr>
<tr>
<td></td>
<td>Korea Institute of Foreign Language Services</td>
<td>Practical English</td>
</tr>
<tr>
<td>Ministry of Commerce, Industry and Energy</td>
<td>Korea Chamber of Commerce and Industry</td>
<td>Industrial machinery repairman, injection-cast manufacturer, pressed-cased manufacturer, electric measurement manager, trade-related English Language</td>
</tr>
<tr>
<td>Ministry of Information and Communication</td>
<td>Samsung SDS</td>
<td>E-Test (e-professionals)</td>
</tr>
<tr>
<td></td>
<td>National Computerization Agency</td>
<td>Information systems manager</td>
</tr>
<tr>
<td>Government Ministries</td>
<td>Qualification Manager</td>
<td>Qualification Items</td>
</tr>
<tr>
<td>-----------------------</td>
<td>-----------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Ministry of Labor</td>
<td>Korea Chamber of Commerce and Industry</td>
<td>Machinery and electricity manager, dental tools manufacturer, CNC machinery cutting processor, machinery assembly draftsman, machinery and system manager, engineering machinery cutting processor, automatic facilities manager, industrial electronic devices producer, computer operator, furniture manufacturer</td>
</tr>
<tr>
<td>Ministry of Health and Welfare</td>
<td>Education SW Promotion Assoc.</td>
<td>Certification Exam for account informer (Level 1, 2)</td>
</tr>
<tr>
<td></td>
<td>Korea Association of Information Management</td>
<td>Document clerk (Level 1~4)</td>
</tr>
<tr>
<td></td>
<td>Korea Calligraphy Examination Educational Association</td>
<td>Calligraphy Certification (Level 1~3)</td>
</tr>
<tr>
<td></td>
<td>Korean Association of Certified Public Tax Accountants</td>
<td>Computerized Tax Accounting</td>
</tr>
<tr>
<td>Korea Forest Service</td>
<td>Korea Tree Protection Society</td>
<td>Technical qualification on protecting trees</td>
</tr>
<tr>
<td></td>
<td>Korean Bonsai Association</td>
<td>Bonsai caretaker</td>
</tr>
<tr>
<td>Ministry of Health and Welfare</td>
<td>Korean Association of the Blind</td>
<td>Proofreader</td>
</tr>
<tr>
<td></td>
<td>Korean College of Hospital Administrators</td>
<td>Hospital administrator</td>
</tr>
<tr>
<td>Supply Administration</td>
<td>Korea Purchasing &amp; Materials Management Association</td>
<td>Purchase manager and materials manager (Level 2)</td>
</tr>
</tbody>
</table>

**Reference Material: KRIVET**

**<Chart 3> Current Status of Verification for In-company Qualification**

<table>
<thead>
<tr>
<th>Corporation</th>
<th>Certification Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>Haein Corporation</td>
<td>Construction machinery repair (electric, engine, hydraulic pressure and delivery of electric power area)</td>
</tr>
<tr>
<td>Samsung SDS</td>
<td>Innovator</td>
</tr>
<tr>
<td>Samsung Everland</td>
<td>Manager of prevention of disasters, Six Sigma (GB, BB, MBB), Building facility management</td>
</tr>
<tr>
<td>Korea Plant Service &amp; Engineering Co., Ltd</td>
<td>Machinery, electricity, measurement management, loading of nuclear fuel, quality, non-destructive testing, welding, cleansing industries, maintenance of power transmission, crane driver</td>
</tr>
<tr>
<td>LG Electronics</td>
<td>Six Sigma</td>
</tr>
<tr>
<td>Sam Yong Inspection Engineering</td>
<td>Non-Destructive Testing (RT, UT, MT, PT)</td>
</tr>
<tr>
<td>Company</td>
<td>Qualification</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Samsung Electro-Mechanics</td>
<td>Six Sigma (WB, GB, BB, MBB, Champion), AMEE</td>
</tr>
<tr>
<td>Samsung Electronics</td>
<td>Six Sigma (GB, BB, MBB)</td>
</tr>
<tr>
<td>Samsung Electronics Services</td>
<td>Household appliances service, AV service, telecommunications service, PC service (ENG level 1-3)</td>
</tr>
<tr>
<td>Anam Electronics Service</td>
<td>TV, VCR, AD/ household appliances (Master, level 1 and 2)</td>
</tr>
<tr>
<td>LG N-Sys</td>
<td>Six Sigma (GB, BB, MBB)</td>
</tr>
</tbody>
</table>

Reference: Ministry of Labor, qualification support and internal materials (2002)

**B. Structure of the Management and Operation of Qualification System**

The structure of the management and operation of a qualification system differs with the form of qualification system.

National qualifications other than for NTQs are managed by 24 government Ministries. Each relevant Ministry has the power to establish plans for and post a public notice for the certification exam, to decide on the final qualified people of the exam as well as over registration, issuance, cancellation and suspension of certificates in addition to education on salaries. Furthermore, the concerned Ministries have the power to cancel or suspend the certification of those who lent their licenses or acquired qualification through illegal means including bribing.

The Ministry of Labor is in charge of the overall management of NTQs under the NTQ Act and it undertaking the formulation of exam questions, management of laws and regulations, and management of Technical Qualification System Council. Only the certification process is managed by Human Resources Development Service of Korea(HRD Korea) and the Korea Chamber of Commerce and Industry.

The HRD Korea is in charge of managing the area of other services from the technical and service areas of the NTQs. It also undertakes other national qualification qualifications commissioned by government Ministries as well as the qualifications of the business service sector among the service area of the Korea Chamber of Commerce and Industry. The scope of its entrusted duties cover the prior and following processes of qualification certification to range from the formulation of exam questions, management of preparing exam questions, conducting of examinations, and management of registration of certificate-holders.

The Ministry of National Defense has entrusted the duty of carrying out the certification of active soldiers and military personnel of the technical and service-related area from the Ministry of Labor. The qualification verification is limited to industrial engineer and craftsman.

The Ministry of Information and Communication is directly in charge of the registration of IT engineers, radio communication industrial engineer and radio craftsman as well as the issuance of technical certificate, reports of changes in the information of the technical certificate-holder, and management of technical certification.
Private qualification is fundamentally based on the “Basic Act of Qualification” of the Ministry of Education and HRD, and Ministry of Labor. However, in actuality, the management of private qualifications is undertaken by the associations and firms which establish and operate the related qualifications.

1. Current Status and Characteristics of Qualification-Holders

According to the 2001 Korea Labor & Income Panel Study (KLIPS), the following facts can be found regarding the general characteristics of qualification-holders in Korea.

First of all, KLIPS shows that qualification-holders over the age of 15 accounted for 18.2%. If the workforce as of September 2001 is estimated with this figure, the number of qualification-holders in Korea is regarded to be around 7 million, disregarding the type of qualifications. However, given that the study was carried out on at the most six qualification, excluding the teaching certifications and general driver’s licenses, the actual number of qualification-holder could be underestimated. Under this context, as was mentioned above, the number of qualification-holders in Korea could be estimated to account for over 20% of the workforce and over 30% of the economically active population.

When classifying these qualification-holders, over 57% are NTQ holders based on the 1999 standard, followed by 38% of other national qualifications, thus national qualifications accounted for 95% of the total.

However, since private qualifications are at their infant stage of just beginning
to become active in line with the “Basic Act of Qualification”, the proportion taken up by private qualifications could be underestimated. Nevertheless, as will be studied later on this paper, when looking at the relative evaluation of qualifications, one fact which cannot be denied is that national qualifications are the most in number.

Meanwhile, the gender ratio of certificate-holders as of 2001 is of 62.3 to 37.7, thus men took up more proportion than women. In terms of economic activity status, 52.6% were wage earners, 19.9% non-wage earners, 1.6% unemployed and 24.4% were non-economically active. Compared to the overall population over the age of 15, the proportion occupied by wage earners among qualification-holders stood at 16.3% and unemployed posted 0.3%, however with the non-economically active population posting a low 19.5%, it can be said that the participation of economic activity is more active and the content as well as status of employment are favorable.
This also can be clearly seen in the degree of engagement to work of qualification holders among wage earners. When just looking at the proportion of wage earners, the overall percentage of permanent workers stood at 77.7%, however when looking at the figure of qualification-holders alone, the figure was 87.8%, thus higher than the overall percentage.

[Figure 6] Degree of Engagement of Work of Qualification Holders Among Wage Earners

Meanwhile, by looking at the level of ages of certificate-holders, those in their 20s and 30s accounted for 58.5%. The portion taken up by those in their 20s and 30s among the population over the age of 15 stood at 41.4%, thus it can be clearly seen that the number of certificate-holders was relatively high among those in their 20s and 30s.

This is also reflected on the composition of academic capabilities. Of those in their 20s and 30s, non-high school graduates accounted for 39.9%, high school graduates 33.9%, college graduates 13.5%, and university graduates 12.8%. In the case of those who had a certificate, only 13% were those who had a degree under that of a high school degree, 18.9% were college graduates and 23% were university graduates, thus it can be seen that the portion of those with high-level scholastic abilities was relatively high.
2. Problems of Korea’s Qualification System

Now the problems of Korea’s qualification system will be comprehensively studied and followed by detailed measures toward such problems in the next chapter.

A. Absence of a National Qualification Framework and Inadequate Vision and Direction of the Qualification System
The fundamental problem in Korea’s qualification system is the absence of a national framework of a qualification system and the poor establishment of the vision and direction on the qualification system.

First, the management of policies on education and training as well as the qualification system is not being planned and operated comprehensively under a big framework of national human resources development. Furthermore, given that qualification systems had been operated independently by each Ministry, the establishment of a systematic qualification system and management system at the national level is facing difficulties. In 1997, the government enacted the “Basic Act on Qualification” to lay the foundation for a national qualification system. However, because this Act did not present a consistent national qualification system, the connection is not clear among: work, education and training and qualification; all types of qualification; role distribution among Ministries related to qualifications; and role distribution and connection between national qualification and private qualification. In other words, a comprehensive qualification management and operation system at the national level is not in place and a qualification-related comprehensive information providing system is not intact. In addition, there is no certain standard for the comprehensive and systematic link among academic capabilities and qualification; types of qualification; and among items.

This lack of a qualification system and establishment of such system at the national level directly translates into a lack of a national qualification framework, as well as the vision, role and direction of qualification. In the United Kingdom(NQF, SCQF), Australia(AQF), and New Zealand(NQF), a national qualification framework centered on the systematic link among academic qualifications—including degrees—and vocational qualifications is provided. Furthermore, while academic capabilities and qualifications each separately demonstrate their respective function, by having them linked horizontally and vertically, a complementary and mutually replaceable function is simultaneously carried out. Even though it may differ depending on their background and type, similar national qualification frameworks can be seen in France and North European countries.

**B. Poor Function as Signaling Mechanism of Competence**

Another big problem that Korea’s qualification system faces is its poor function as a signaling mechanism for delivering information on the quality of human resources. As can be seen in the chart below, upon recruitment, Korean corporations do not place too much importance on current qualifications and the portion that qualifications took up was lower compared to that taken up by academic capabilities and work competence.

<Chart 4> Points Considered During Selecting Manpower

<table>
<thead>
<tr>
<th>(1) Current Qualification Consideration Level (Points)</th>
<th>Less Than 50 People</th>
<th>51~150 People</th>
<th>151~130 People</th>
<th>Over 301 People</th>
<th>No Reply</th>
</tr>
</thead>
</table>

- 19 -
3.69 3.58 3.59 3.63 3.87 3.89

(2) Selection Standard (%)

<table>
<thead>
<tr>
<th>Academic Capability/ Grade Point</th>
<th>Work Experience</th>
<th>Work Competence</th>
<th>Qualification</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Hiring</td>
<td>44.2</td>
<td>29.7</td>
<td>57.2</td>
<td>51.8</td>
</tr>
<tr>
<td>Mid-Career Hiring</td>
<td>54.7</td>
<td>85.9</td>
<td>79.0</td>
<td>53.2</td>
</tr>
</tbody>
</table>

Note: Grading “current qualifications (knowledge, skills, etc.) to “future learning possibilities” on a 1 to 7 point scale, the result was an average of 4 points.

Reference Material: Research conducted on two thousand corporations from July to October of 2002 by the Korea Labor Institute

In Korea where much importance is placed on academic capabilities, significance is underlined in the approach towards lifelong job competence development rather than toward the “qualification-labor market connection”. As a result, in reality, qualifications are being used as a supplementary means and as a roundabout way to obtain academic capabilities based on grade point recognition systems. To this end, qualifications are not being used in their fundamental sense as signals (qualifications which recognize competence) that demonstrate an individual’s competence.

Such a problem stems from the disparity between the actual scene of labor and the examination problems and certification. Such a disparity leads to the inadequate role of qualifications in picking out competence and failure of private qualifications being facilitated to flexibly reflect the industrial demand, and the restrictive participation at the private level in the management and operation of national qualifications.

**C. Inadequate Function of Guiding Competence Development**

Another problem in Korea’s qualification system is that it does not properly reflect the actualities of the scene of labor and inadequately functions in accrediting competence. Consequently, social compensation is not being properly carried out and thus the effect of incentives aimed at individuals to develop their competence by acquiring qualifications is not being adequately actualized.

Chart 5 shows that the treatment toward certificate-holders by corporations is not adequate. Corporations which give preferential treatment in wages including qualification wages accounted for a bit over half of the total. Even in this case, most corporations (98%) resulted to give preferential treatment of less than 10% of total wages. Furthermore, the portion of preferential treatment with regard to qualification-holders in education and training, job post transfer, and employment coordination resulted to be lower than in terms of wages.

<Chart 5> Level of Treatment of Qualification-Holders (Unit: %)
As was already studied above, the low level of treatment for qualification-holders stems from the inadequate function of qualification as a signal mechanism. In other words, even though one holds a qualification, since competence in carrying out duties is unsatisfactory in the actual work, businesses have no motive to grant preferential treatment to qualification-holders. <Chart 6> shows the businesses’ assessment of the capability to carry out one’s duties by qualification-holders. It can be seen that the portion was the biggest on corporations which think that there was no big difference in the work execution between certificate holders and non-qualification holders, followed by 41.3% of businesses which believe that the competence level of qualification-holders was relatively higher. However, this falls short of a qualification’s function to be a signal of one’s work competence.

<Chart 6> Work Competence of Qualification-Holders

<table>
<thead>
<tr>
<th>Very High</th>
<th>Relatively High</th>
<th>Almost Equal</th>
<th>Relatively Low</th>
<th>Very Low</th>
<th>No Reply and Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.5</td>
<td>41.3</td>
<td>43.5</td>
<td>1.3</td>
<td>0.0</td>
<td>12.3</td>
</tr>
</tbody>
</table>

As a result, it is inevitable for the function of qualification as the guide of lifelong job competence development to be inadequate if the motive of being used as a roundabout way to acquire degrees is excluded. Qualification also lacks in functioning as a means of inducing development in generic skills and core competencies with a strong link with education.

IV. Main Issues on and Measures for Korea’s Qualification System

Based on such current situations, the direction for development of Korea’s qualification systems needs to be addressed. In this regard, the key issues and measures toward such issues will be studied in this chapter.

1. Qualification System Framework

<Issue 1> Identifying the role and function of qualification in the knowledge based society
In the knowledge and information-based society, rapid technological changes are taking place. Amid such a society, the qualification system must: induce the maximization of distribution of resources based on effective functioning of the labor market; in line with the demand in the industry, guide development in vocational competence; and provide signal for the lifelong job competence development and career management of independent workers. In order for the qualification system to be enhanced: First, qualification’s role as signal mechanism of human resources must be improved; Second, qualification’s role as a guideline for lifelong job competence development must be strengthened. In order for these roles to be fully be actualized, the respective industries need to exert efforts in identifying the necessary vocational capabilities at the present moment as well as in foreseeing and thus certifying promising competences for the future. Such provision of information and process of qualification will guide the lifelong job competences of individuals. Furthermore, qualification’s role as a signal mechanism must be set forth as a premise and the function as a license which protects vocational interests will prove to be of contribution. However, based on the priority in promoting qualification which accredits work competence, direction must be set so as to protect vocational interests in the market; Third, flexibility and environment reactivity of qualification must be pursued; And lastly fourth, consistency and currency of qualification as a national standard must be pursued.

<Issue 2> The direction of establishing completion qualification system and grade point recognition qualification for setting up a constructive cycle of “competence signal – social compensation system – competence development guidance”, and how quality control for the education and training should be executed

In countries such as Germany that employ an exit qualification system, where the certification is awarded when a designated course of education and training is completed, the key to success lies in the quality control of the training. Therefore, in our current situation, where vocational education and training do not adequately reflect the demands of actual work places but are treated as subcategories of humanities education, awarding a certain vocational qualification upon the completion of education and training only may result in the failure of the qualification system itself.

As observable in <Chart 7>, almost half of all personnel managers in Korean firms still rate qualifications as performing a different or better function or at least an equivalent function as scholastic achievement in terms of task-capability signals, indicating that the chances of the qualification system are not completely hopeless. From the viewpoint of its original conception or judging by our current situation, vocational ability recognition qualifications are after all the path our qualification system must go. From this standpoint, Korean vocational qualifications must be operated in a manner that distinguishes from diplomas (humanities qualifications).

<Chart 7> Academic Capability vs. Qualifications in terms of Task-Performance Abilities

(Unit: %)
Certificate on equal standings with Diplomas
Certificate Complementing Diploma
Certificate of task-performance abilities not reflected by diplomas
Certifying higher achievement than a diploma
No relevance with diplomas; certifications are of no validity
No Reply

10.9 34.1 29.3 6.1 8.4 11.3

Reference Material: Research conducted on 2000 corporations from July to October of 2002 by the Korea Labor Institute

<Issue 3> The extent of the reach of the state in matters concerning qualifications, and the conditions and plans for encouraging the role of the private sector in the qualifications system

National qualifications should by principle be limited to vocational areas that involve the lives, health and security of citizens, are socially indispensable but have few applicants, or areas that cannot be run by the private sector due to high examination costs. On the other hand, private qualifications should by principle deal with areas in which national qualifications cannot catch up with the pace of technological developments and other areas in which national qualifications are inadequate or unnecessary. The two sectors should be distinguished in principle by these limited guidelines and avoid overlaps, but a mutual competition system should be maintained in other areas.

In the meantime, for the activation of private qualifications, various forms of support such as support for private qualifications managers and provision of relevant infrastructure are necessary until the private qualification system is sufficiently developed, and private qualifications quality control should be systematized in order to secure the credibility of private qualifications. For example, socially adverse effects should be minimized by measures such as qualification reporting by private qualification managers (new or discontinued qualification items should also be reported) and private qualifications monitoring, while support should be differentiated by credibility.

Public certification of private qualifications should be developed while securing its substantiality. For the same purposes, the recognition of business-internal qualifications by the Ministry of Labor and supporting measures should be expanded. The subject and criterion of the evaluations during these recognition and support processes will essentially determine the substantiality of the measures.

<Issue 4> Is the introduction of a national task ability standards system (NSS) for the organization of an interlinked system of “Educational Training – Job – Qualification” adequate or feasible? What are the plans for recognizing prerequisite and experience learning (RPL)?

The development of an NSS, elucidating the skills and expertise level required for each job, is essential for the establishment of a NQF based on “education and training-work-qualification” connection. Such need can be clearly seen in that 62% of
the personnel managers of corporations are underlining the need for the introduction of such a framework. In particular, the bigger the size of the corporation, the more urgent the need was for such a framework.

However, given that in terms of the usage of NSS, the focus is being placed on the function of selection including “recruitment and arrangement” or “task competence evaluation”, rather than on the basic functions as “standard upon development of the process of education and training”. This demonstrates that firms do not have full understanding on the usage of NSS.

<Chart 8> Need for NSS

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Less than 50 People</th>
<th>51~150 People</th>
<th>151~300 People</th>
<th>Over 301 People</th>
<th>No Reply</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>62.0</td>
<td>56.5</td>
<td>67.0</td>
<td>68.9</td>
<td>69.4</td>
<td>26.7</td>
</tr>
</tbody>
</table>

Reference Material: Research conducted on 2000 corporations from July to October of 2002 by the Korea Labor Institute

<Chart 9> Plans for the Use of NSS

<table>
<thead>
<tr>
<th></th>
<th>Recruitment and Arrangement</th>
<th>Evaluation Standard of Task Capability</th>
<th>Upon Development of Education and Training Process</th>
<th>No Reply and Others</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>32.5</td>
<td>26.9</td>
<td>23.5</td>
<td>17.1</td>
</tr>
</tbody>
</table>

Reference Material: Research conducted on 2000 corporations from July to October of 2002 by the Korea Labor Institute

In addition, even though the need for NSS is recognized, the cost-effectiveness that follows development must be considered before deciding on development. The case of the United States must be taken into account given that the NSSB was criticized since after developing a NSS on several jobs over the course of years, the standard was not so actively used compared to the time and money that had been invested. In the event of development, the subject of development must become an expert on the industrial workplace including vocational groups and private company consortiums.

With regard to the RPL being actively carried out in major countries including the EU, Korea’s national qualification system is already reflecting such factors in itself thus there is no need to consider a separate method of qualification. However, ways that aim to strengthen and expand business experience—issuance of certificates to only those who passed the exam, obtaining certifications following business experience for certain amount of period and exemption of theoretical exams for those who have certain business experience—must be continuously sought hereafter.

<Issue 5> Questioning the need for a certification on basic vocational abilities including reading, writing, mathematical capability, problem-solving ability, information-acquiring ability and personal relations and whether its reasonable or feasible to link qualification system and vocational ability certification system
With the continuous development of the knowledge and information-based society, basic vocational ability is being emphasized as a key essential competency and to this end a system which socially certifies and induces such development based on an objective standard is crucial. However, there is a need to be cautious in approaching the method of establishing such a system.

When asked how they felt on the need for introducing a vocational capability certification system, 57.4% of the personnel managers of firms replied that such a system was indeed necessary. However, only a few agreed on the introduction of separate national qualifications and most resulted to favor the certification by completion of courses within VET or certification by including it in one or two subjects of examination of existing national qualifications.

**<Chart 10> Need for Introduction of Vocational Certification System**

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Less than 50 People</th>
<th>51~150 People</th>
<th>151~300 People</th>
<th>Over 301 People</th>
<th>No Reply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Need for Introduction</td>
<td>57.4</td>
<td>58.6</td>
<td>58.2</td>
<td>61.6</td>
<td>64.5</td>
<td>26.7</td>
</tr>
</tbody>
</table>

Reference Material: Research conducted on 2000 corporations from July to October of 2002 by the Korea Labor Institute

**<Chart 11> Form of Operation of Vocational Qualification System**

<table>
<thead>
<tr>
<th>Operations Description</th>
<th>Total</th>
<th>Separate National Qualification</th>
<th>Certificate of Having Completed a Course of Vocational Capability-related Education and Training</th>
<th>As Record of School Activities</th>
<th>No Reply and Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Include as Subject or Problem of examination of Existing National Qualification</td>
<td>22.7</td>
<td>15.2</td>
<td>39.9</td>
<td>5.4</td>
<td>16.8</td>
</tr>
</tbody>
</table>

Reference Material: Research conducted on 2000 corporations from July to October of 2002 by the Korea Labor Institute

2. **Direction of NTQ System Development**

**<Issue 6>** With relation to the extent of the NTQ system, what is the direction to be taken for the establishment of a double-form system made up by reducing the scope and dividing the current united system, and how the 5 level system should be addressed.

If a vocational capability cognizant qualification is pursued, managing a double-form NTQ system made up of the channel based on academic capabilities and the other centered on actual working experiences can be considered. However, given the
realistic problems of equation and function-wise contradiction between the two channels are too big to overlook thus there is a need to support and supplement the current united system.

Furthermore, it is preferable that the current 5-level system is linked with the academic capability standard while maintaining logical consistency with the EU’s 5-level system. However, in cases where the 5-level system is inappropriate, such as in handicraft or service sector where there are many private businesses, levels are coordinated under the current basic level(5 level) as a standard.

Meanwhile, the scope of NTQs by principle is reduced under the principle of the already-mentioned national qualification extent. However, due to the lack in the ability to provide and manage private qualifications, there is a need to seek a method in which the management and operation of a NTQ is commissioned gradually in the event there is a qualification manager in a competent private sector, during which focus is placed on the strengthening of the qualification management competence of the private sector.

However, in Korea’s case, there is a strong tendency for the social assessment of qualification to be contingent on qualification credibility. Therefore, the private commission or certification of NTQs must be approached in a prudent manner so as not to hurt the established evaluation of NTQs. As illustrated in the chart below, more than half of the personnel labor managers of firms rated the assessment on NTQ as positive and negative evaluations only amounted to 4.0%. As the qualification which best reflects social demand, NTQ stood at a dominant 83.5%, followed by authorized private qualifications, a point which must be highly regarded.

<Chart 12> Degree of Contribution in NTQ System’s Economic Development and Enhancement of Laborer’s Capacity

<table>
<thead>
<tr>
<th>Very Positive</th>
<th>Relatively Positive</th>
<th>Average</th>
<th>Relatively Negative</th>
<th>Very Negative</th>
<th>No Reply and Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.3</td>
<td>46.3</td>
<td>32.9</td>
<td>3.3</td>
<td>0.7</td>
<td>9.5</td>
</tr>
</tbody>
</table>

Reference Material: Research conducted on 2000 corporations from July to October of 2002 by the Korea Labor Institute

<Chart 13> Qualification which Best Reflects Social Demand

<table>
<thead>
<tr>
<th>National Technical Qualification</th>
<th>Authorized Private Qualification</th>
<th>Non-Authorized Private Qualification</th>
<th>Business-internal Qualification</th>
<th>International Private Qualification</th>
<th>No Reply and Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>83.5</td>
<td>3.2</td>
<td>0.6</td>
<td>1.2</td>
<td>1.0</td>
<td>10.5</td>
</tr>
</tbody>
</table>

1 The criteria for EU’s 5-level qualification system are period of education and training, type of organization, content of the course of education and training, objective and achievement of the course of education and training, competency needed in carrying out particular work, vocational level and matching with qualification, and equation statement.
<Issue 7> What method should be sought to strengthen the link between NTQ and industrial demand?

In order to enhance the social currency and industrial adaptability of NTQs, it is imperative that a mechanism which reflects the industrial demand is well in place throughout the entire process of the management and operation of NTQs. However, national qualification, by nature, cannot respond to all the firm-specific skills. As a result, the issue of strengthening the link with industrial demand and adapting to industrial demand can be only perceived in the degree that is in line with technologies or techniques in common industries.

First of all, the participation of on-site experts must be expanded throughout the entire process of certification. There is a need to expand the participation of the industrial and labor circle while restricting national monopoly in the management of national qualification and to realize the principles of consumer participation and social agreement. Furthermore, institutions and support systems must be provided so that the participation of on-site industrial experts can take up over half of the proportion of exam problems formulation and examination committees.

In addition, the formulation and certification method should place its focus on the actual work place for the industrial demand to be fully reflected. The professional workforce in charge of problem formulation, certification, grading and post-evaluation must be expanded and its expertise enhanced. Furthermore, item pool management method and formulation method must be supplemented in addition to the introduction of post-evaluation of problems. Methods which examine the actual work place and actual techniques must be supplemented and the budget which backs these methods must be expanded.

In addition, a way that obligates on-site experience in the application conditions for a qualification must be sought as well. In Australia and Germany, it is mandatory to have actual experience for few years under the direction of a selected certificate-holder to acquire the qualification.

In most technical high schools, the entire educational process is disassociated with the actual work place of the industry and is instead focused on preparations for NTQ exams. In order to overcome such a problem, on-site training of the relevant industry should be included in the conditions to apply for qualification examination and strengthen certification of actual techniques should be strengthened. Such measures will strengthen ways to establish a link between education processes and qualification with actual work place as the major means.

Meanwhile, the link must be solidified with the industrial demand through flexible establishment, integration or abolition of the items of qualification. In particular, not only the automatic cancellation of qualification standard, but also in the case of newly establishing a qualification, a valid period should be set up thus ways to
strengthen quality control should be sought. Furthermore, to systemize the post-management of NTQ-holders, education and training on salaries for those whose qualifications were cancelled in a bid to make qualifications more substantial, should be revived for some NTQs.

<Issue 8> Questioning whether the current management and operation system is appropriate as a reasonable method of NTQ

The rational operation method of the NTQ would be one that reflects the consistency of the NTQ and the diverse demands of the actual work place, as well as maintain the diversity and consistency while at the same time enhancing cost-efficiency.

More than anything, a reference which maintains consistency at the national level while facilitating diverse qualification and a NTQ management and operation as a regulation body needs to be set in place. Consequently, there is a need to reexamine the function of each stage of certification as well as to compare and contrast the advantages and disadvantages of having a single management and a divided form of management.

In other words, the question is whether the management of NSS, qualification standard, standard for examination problem formulation and examination and other standard development and provision methods; NTQ management; certification of organizations and items, and certificate-holders; examination organizations which employ formulation and examination should all be managed under a single organization or managed separately? In order to address this question, a comparative study needs to be foremost carried out between the cases where research development and examination execution are operated separately—French CEREQ and CPCs, British QCA, NTO, and Awarding Body and Germany’s BIBB, Chamber of Commerce and Industry and Craftsman Association—and where they are operated in an integrated manner as is the case in Korea. In this regard, the establishment of an organization which controls the overall qualification systems of the country, or “a national qualification certification institute”, needs to be studied.

<Issue 9> Making the management and operation of NTQs more efficient and seeking method of expanding information system in terms of qualifications

Ways to expand the modularization and unitization of qualification system operation need to be sought in order to strengthen the “education and training-work-qualification” link by solidifying and flexibly managing the actuality of the work place and effectively carrying out the consumer-oriented principle. Such ways bring about the flexible completion of education and training and at the same time induces flexibility in the acquisition and examination of qualification, while fully reflecting industrial demand.

Furthermore, by revising information systems related to qualification, accessibility toward acquiring qualifications and social currency can be enhanced. First, a database with information on qualification must be deployed enabling the players of supply and demand in the workforce to easily have access to qualification-related
information. Such a database must also provide information on promising jobs related to qualification, and long and mid-term information on workforce demand per industry and line of work.

To the question on how appropriate the provision of certificate-holders was with regard to that relevant line of work, most personnel managers of firms replied that the degree of appropriateness was high. However those who answered that it was low accounted for approximately 20%, presenting the need to identify the appropriateness of certifications for each respective occupation or task, and based on such observations, the need to coordinate the supply and demand of qualifications.

<Chart 14> Degree of Provision of Qualification-Holders

<table>
<thead>
<tr>
<th></th>
<th>Too Many</th>
<th>Relatively Many</th>
<th>Appropriate</th>
<th>Relatively Few</th>
<th>Too Few</th>
<th>No Reply and Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Degree of Provision</td>
<td>0.7</td>
<td>4.4</td>
<td>64.3</td>
<td>15.8</td>
<td>2.0</td>
<td>12.7</td>
</tr>
</tbody>
</table>

Reference Material: Research conducted on 2000 corporations from July to October of 2002 by the Korea Labor Institute

Meanwhile, the form of certification needs to be revised so that more detailed information can be provided on task ability. In this regard, the qualification supplement which is being tried out by the EU to enhance the transparency of qualifications needs to be studied for reference.