

1982-2017

35 Years of HRD Korea  
Together  
with the Korean People  
toward the World



한국산업인력공단  
HUMAN RESOURCES DEVELOPMENT SERVICE OF KOREA



**1982-2017**



**35 Years of HRD Korea**  
Together  
with the Korean People  
toward the World



In the time of lively discussions on the future changes of the humankind that the Fourth Industrial Revolution will bring, we are publishing a yearbook to look back on our 35 years of HRD Korea.

Since the foundation in 1982, HRD Korea has supported the development, evaluation, and utilization of human resources to raise the values of people and workplaces, such as support of lifelong competency development, management of national qualification test, foreigner employment support, overseas employment promotion, and skills encouragement, to contribute to the development of national economy and promotion of Korean people's welfare.



In particular, the last 5 years was the time of challenges and pioneering to make competency-centered society and open labor market. HRD Korea, with the opening of budget of KRW 1 trillion era in 2014, has implemented in full-scale the national agendas including Work-Learning Dual System, NCS (National Competency Standards), and K-Move, to focus on changing our society from academic clique and resume (scores, grades, certifications, etc.) centered to competency and performance centered, as the 'Game Changer.' Unless the paradigm changes, 70% of college advance rate and the job mismatches following that, and youth unemployment issues will be very difficult to resolve. Not only that, fair competition between college graduates and high school graduates, and regular workers and non-regular workers will be impossible from the very beginning. For that mission, HRD Korea CEO has communicated with internal and external customers over 1,600 times for 2 years and 6 months to seek solutions, with the mind of asking and seeking answers.

The Work-Learning Dual System, which started with 171 learning workers and 51 companies in 2013, has led to early initial adaptation of youths with over 40,000 youths and 10,000 companies participating now, after 4 years. In addition to that, it has been expanded to the currently enrolled students to become a stepping stone to reduce youth unemployment and make a competency-centered society. NCS (National Competency Standards), which would act as the foundation of vocational education and training, and reformation of qualification system, finalized a total of 897 jobs with 847 jobs in July 2016, and 50 jobs in May 2017, to secure legal status 14 years after its introduction in 2002, and 3 years after its full-scale development starting from 2013. Further, it has become the core mechanism to innovate the recruiting system and human resource development system of over 1,900 private companies, and all 322 public institutions. The K-Move Project, which supports overseas employment of the youths, is playing the role of advance guard expanding the job territories by increasing almost 3 times to securing of 4,811 overseas jobs in 2016 from 1,679 people in 2014, despite global economic recession.

These performances are the first step in making a far-sighted policy of national human resources development, and at the same time hurried steps to resolve the job issues at hand. Those footsteps are contained in this book of 35 years of history mostly focusing on the performances of recent 5 years, with the photos from the foundation until now. When the Fourth Industrial Revolution arrives, the meaning of job would disappear, and the ability and competency to work would become important. This is in the same line as the project of realizing competency-centered society, implemented by HRD Korea. Chewing over the wisdom of reviewing the old and learning the new, we will use the 35 years of history as the priming water to dedicate ourselves in advancing the support projects for the development, evaluation, and utilization of human resources, and supporting jobs for all Korean citizens. We would like to sincerely ask for our people to support us, so that HRD Korea would move forward stronger, 'With the Korean People, Toward the World.'

Prof. Dr. Young-bum Park  
President  
Human Resources Development Service of Korea

창조인재 육성의 메카



한국산업인력공단





THE COMPETENCY IS AN IMPORTANT ASSET AND DRIVING FORCE FOR THE NATIONAL GROWTH AND DEVELOPMENT.  
HUMAN RESOURCES DEVELOPMENT SERVICE OF KOREA (HRD KOREA) LEADS THE KOREA TO MAKE A FUTURE LEAP THROUGH THE CONTRIBUTION TO DEVELOPMENT, EVALUATION, AND UTILIZATION OF NATIONAL HUMAN RESOURCES.

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Together with the Korean People toward the World  
35 Years of HRD Korea

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*35 Years of HRD Korea* contains the historical footsteps from the establishment to the present of HRD Korea focusing on the past five years (2012–2017)

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# History



**03.16**

The 1<sup>st</sup> meeting of board of directors of HRD Korea

**03.19**

Signboard Hanging Ceremony of the Korea Vocational Training Management Corporation

**06.12**

Acquired National Central Vocational Training Center from the Ministry of Labor

**10.25**

Published the 1<sup>st</sup> issue of *Age of Technology*

**11.01**

Installed Skills Development Centers in 24 Training Centers

## 1982~2016 >>

## 1982



**01.01**

Newly established Superintendent System in Polytechnic Colleges and the National Central Vocational Training Center

**07.26**

The inaugural meeting of the Korean Industrial Technology Academy

**08.28**

Overall Winner at the 27<sup>th</sup> WorldSkills Competition in Linz, Austria

**10.11**

The 5<sup>th</sup> General Meeting of the Asia-Pacific Skills Development Program (APSDEP)

**10.12**

Vocational training promotion contest of the 20 affiliated Vocational Training Centers

## 1983



**01.07**

Signboard hanging ceremony for the opening of Seoul Eastern Local Office

**05.29**

Qualification tasks of the area of Office Management are transferred to the Korea Chamber of Commerce and Industry (KCCI)

**12.06**

ILO Director-General visited the National Central Vocational Training Center

**12.18**

The opening ceremony of new office building of HRD Korea (Mapo, Seoul)

## 1984





**02.18**

Measurement Bureau of HRD Korea was designated as 3<sup>rd</sup> calibration and test institution by the Industry Promotion Agency

**04.12**

Installed constantly-implemented qualification test center at the HRD Korea headquarters

**10.27**

Overall winner at the 28<sup>th</sup> WorldSkills Competition in Osaka, Japan

**11.08**

President Chun Doo-hwan invited the national team of the 28<sup>th</sup> WorldSkills Competition to Cheong Wa Dae (Bluehouse)

**12.21**

Skills grant presenting ceremony for all the winners of WorldSkills Competition (172 people)

## 1985



**03.03**

Dismissed Korea Polytechnic College, and its rights and obligation were transferred to Science and Technology College

**06.19**

Established Production and Technology Research Center of Changwon Polytechnic College

**09.11**

Seminar on <Directions of Vocational Training in 2000> at Vocational Training Research Center

**10.09**

Newly established master craftsmen category in the 21<sup>st</sup> National Skills Competition

**10.13**

President Chun Doo-hwan observed the 21<sup>st</sup> National Skills Competition

## 1986



**04.01**

Enacted and promulgated the 『Act on the Encouragement of Technical Skills』

**05.10**

Installed HRD Korea's own computer system (IBM 4341-M11)

**07.11**

Opened Seoul International Vocational Training Institute

**09.04**

Overall winner at the 30<sup>th</sup> WorldSkills Competition in Birmingham, United Kingdom

**12.26**

Vocational Training Research Center published *The History of the Development of Korean Vocational Training*

## 1989



**07.13**

Held a symposium in commemoration of the 10<sup>th</sup> anniversary of Vocational Training Research Center

**07.30**

Director General Daniel Sommer of WorldSkills International (WSI) visited HRD Korea

**10.27**

The 1<sup>st</sup> National Tennis Championship for the Cup of President of HRD Korea

**11.10**

The 1<sup>st</sup> Friendship Baduk (Go) Contest for the Cup of President of HRD Korea

**12.31**

WorldSkills Korea published *25 Years of WorldSkills Competition*

## 1990



**03.18**

Published *5 Years of HRD Korea, Training Skilled Workforce for Leaping to an Advanced Country*

**04.01**

Newly established training centers for Gangneung City, women, and the disabled

**05.19**

The 1<sup>st</sup> meeting of the head of the Vocational Training Centers

**07.01**

Acquired vocational training functions from Farmer Education Centers in 7 Provinces (Signboard Hanging Ceremony of Jeonbuk Vocational Training Center)

**10.26**

16 People related to the human resources development policy in Asia-Pacific developing countries paid a visit

**1987**



**02.15**

Installed Korean Vocational Training College Establishment Committee in HRD Korea

**02.24**

Overall winner at the 29<sup>th</sup> WorldSkills Competition in Sydney, Australia

**06.24**

The inaugural meeting of foundation of Korean Vocational Training Academy

**10.28**

The starting ceremony of the labor union of the Korea Vocational Training Management Corporation

**12.02**

13 Korea's Master Hands accompanied with their spouses made their first overseas industrial observation

**1988**



**03.06**

Built a DB for those who obtained national qualifications and operated inquiry system

**04.01**

Began the ARS service on whether a person has passed the qualification tests

**04.15**

Signboard hanging ceremony for the name change of HRD Korea (Korea Vocational Training Management Corporation → Korea Industrial Workforce Management Service Corporation)

**07.06**

Overall winner at the 31<sup>st</sup> WorldSkills Competition in Amsterdam, Netherlands

**09.25**

Attempted to establish 8 Joint Vocational Training Institutes

**1991**



**01.01**

Transferred Ilsan Vocational Training Institute for the Disabled to the Korea Employment Promotion Agency for the Disabled

**02.13**

President Roh Tae-woo visited Suncheon Vocational Training Institute

**03.01**

Founded Incheon Polytechnic College, and changed the name of Korea Polytechnic College to Korea University of Technology & Education (KOREATECH)

**03.01**

Installed employment information centers at the HRD Korea headquarters and 14 local offices and began free job placement business

**07.01**

Transferred Industrial Workforce Research Center to Korea University of Technology & Education (KOREATECH)

**1992**



**02.15**

Published *10 Years of Korea Industrial Workforce Management Service Corporation*

**03.23**

President Kim Young-sam visited Cheongju Vocational Training Institute

**04.25**

The ARS service on whether a person has passed the qualification test expanded to the whole country

**05.23**

The inaugural meeting of Korea's Master Hands Society

**08.03**

The runner-up at the 32<sup>nd</sup> WorldSkills Competition at Taipei, Chinese Taipei

**1993**



**01.01**

Newly established Seoul Southern and Jeonnam local offices

**03.10**

Signed arrangement on transferring 8 Joint Vocational Vocational training Institutes to the Korea Chamber of Commerce and Industry (KCCI)

**05.12**

Changed the name of 21 Vocational Training Institute to Vocational Technical Colleges

**06.20**

Held The 1<sup>st</sup> Korea's Master Hands Exhibition

**07.01**

Reorganized 6 Vocational Technical Colleges (Seoul, Daegu, Gwangju, Daejeon, Anseong Women's, and Seongnam) to Polytechnic Colleges

**1994**



**01.16**

Published the first issue of HRD Korea newsletter *Industrial Human Resources News*

**01.31**

Opened remote video vocational education training system using ultra-high speed information & communication network

**07.10**

Overall winner of the 34<sup>th</sup> WorldSkills Competition in St. Gallen, Switzerland

**07.15**

Introduction of constantly-implemented testing system for national technical qualifications test and first implementation of constantly-implemented test center

**11.03**

Held 1<sup>st</sup> Vocational Competency Development Promotion Contest

**1997**



**01.01**

Changed the name of the organization (Korea Industrial Workforce Management Service Corporation → Human Resources Development Service of Korea (HRD Korea))

**01.01**

Established educational foundation of Korean Competency Development Academy

**01.01**

Installed 4 regional headquarters (Seoul, Gyeongin, Chungcheong, Yeongnam, and Honam) and Chungnam, and Ulsan local offices

**03.03**

Unified the image by designating a new CI for HRD Korea

**08.28**

Opened overseas employment centers (Seoul, Busan, Gwangju, Daejeon, and Daegu)

**1998**





**01.12**

Reorganized 4 Vocational Technical Colleges (Busan, Cheongju, Gumi, and Jeonju) to Polytechnic Colleges

**04.01**

Opening ceremony of online system of the testing and registration for 16 local offices

**10.11**

Confirmed the hosting of the 36<sup>th</sup> WorldSkills Competition in Seoul

**10.18**

Overall winner at the 33<sup>rd</sup> WorldSkills Competition in Lyon, France

**12.28**

Reorganized Jeongsu, Chuncheon, Hongseong, and Mokpo Technical Colleges to Polytechnic Colleges

**1995**



**01.06**

Opened Korea–Sudan Vocational Training Institute

**03.20**

The International Meeting of the Asia–Pacific Skills Development Program (APSDEP)

**03.28**

Preparation meeting for hosting of the 36<sup>th</sup> WorldSkills Competition in Seoul

**09.17**

Held Skills Encouragement Symposium (Grand Conference on the Skills Encouragement Measures toward the 2000s)

**12.31**

Computerized asset management tasks (general assets, and vocational training equipment)

**1996**



**02.01**

Opened the website of HRD Korea ([www.kmanet.or.kr](http://www.kmanet.or.kr))

**03.27**

Reorganized national technical qualifications system (Class: 7→5 classes, No. of Skills: 737 → 597)

**09.01**

Constantly–implemented testing is expanded to Busan, Gwangju, and Daegu region

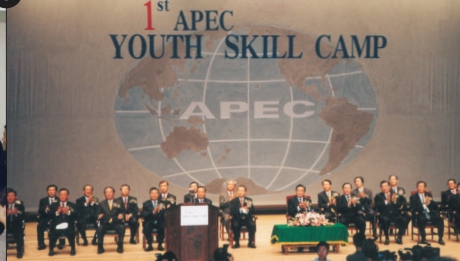
**11.17**

Overall winner of the 35<sup>th</sup> WorldSkills Competition in Montreal, Canada

**11.26**

Acquired ISO 9001 Certification for the National Technical Qualifications Test

**1999**



**01.01**

Built an integrated information system for the qualification tests

**03.06**

Newly established 4 local offices (Mokpo, Pohang, Gangneung, and Busan Bukbu)

**03.12**

First implementation of training employment qualification test for foreign industrial trainees

**09.01**

Promulgated (Customer Service Charter)

**09.22**

Held the 1<sup>st</sup> APEC Youth Skills Camp (Ulsan)

**2000**



**01.01**

After acquiring Central Employment Information Service of the Ministry of Labor, HRD Korea established Central Employment Information Service

**01.01**

The scores of written tests for the national technical qualification test became disclosed on the internet

**06.19**

Opened Q-Net, a portal site for the national qualifications

**06.25**

Changed the English name of the organization (KOMA→HRD Korea)

**09.06**

Held the 36<sup>th</sup> WorldSkills Competition in Seoul, and President Kim Dae-jung observed in person (9.15)

# 2001



**02.10**

Introduced NOS (National Occupational Standards)

**03.22**

Began internet application system service for the national qualifications

**07.02**

Opened overseas employment site (WorldJob)

**07.31**

Published 20 Years of HRD Korea

**12.16**

Opening ceremony of electronic approval system for HRD Korea

# 2002



**03.02**

Introduced the first internal management evaluation in 2004

**03.17**

Starting Ceremony of Nanumi Volunteer Team of HRD Korea

**05.19**

The runner-up at the 38<sup>th</sup> WorldSkills Competition in Helsinki, Finland

**07.08**

Opened HRD Customer Center

**11.28**

Implemented CBT (Computer-based Testing) for the written tests in national technical qualification tests

# 2005



**01.13**

Signed MOU on mutual recognition of IT qualifications between Korea and China

**03.01**

Reorganized the function of HRD Korea to lifelong vocational development specialized institutions (Transferred Vocational Technical Colleges to Korea Polytechnics)

**03.31**

Made the Central Employment Information Service as a separate organization

**06.27**

Began the service of issuing qualifications card through the internet

**08.30**

Selected the CEO of Dong Gu Enterprise Co., Ltd. as the 1<sup>st</sup> Korean Master Craftsman of the Month (Ryu Byung-hyun)

# 2006



**01.20**

Public hearing for the development of NCS (National Competency Standards)

**02.19**

Changed the title of the comprehensive information journal on vocational training (*Vocational Training News* → *Vocational Training Information*)

**06.11**

Overall winner of the 37<sup>th</sup> WorldSkills Competition in St. Gallen, Switzerland

**08.16**

Established the 『Act on the Employment, etc. of Foreign Workers』

## 2003



**02.09**

Newly established the foreigner employment support bureau and began the service

**06.18**

Opened Busan Human Resources Development Town

**08.31**

The first entry of Foreign workers who were Filipino through the EPS (Employment Permit System)

**11.12**

Established Code of Conduct for HRD Korea Employees

**12.08**

Dispatch of first overseas stationed staffs for foreigner employment support business (4 countries)

## 2004



**01.01**

Introduced internet application system for the national qualification tests in full scale

**01.01**

Unified foreign worker employment permit system (repealed Industrial Trainee System)

**06.02**

Began EPS-TOPIK (Test of Proficiency in Korean)

**09.11**

Awarded the Grand Prize in the Public Institution category at the National Productivity Innovation Award

**11.08**

Overall winner at the 39<sup>th</sup> WorldSkills Competition in Shizuoka, Japan

## 2007



**01.01**

Acquired and performed the integrated national qualification tests

**01.22**

Opening Ceremony for the launch of Qualification Questions Making Bureau

**09.01**

Began Return-job Information System service of the Employment Permit System (EPS)

**09.01**

Changed the holding period of vocational competency month (November → September)

**11.25**

Selected ethical management brand of 'Saemmul Management'

## 2008





**01.05**

First measurement of Ethical Management Indicator in 2008

**01.20**

Selected as excellent organization for integrity for 4 consecutive years

**08.03**

Selected as excellent enterprise for labor-management culture

**08.26**

Overall winner of the 40<sup>th</sup> WorldSkills Competition in Calgary, Canada

**10.27**

Certified as an excellent organization for human resources development in public sector

## 2009



**02.11**

Installed and operated a nursery 'Seulgisaem Nursery' within the company

**04.09**

Built Saemmul Keeper System (e-audit)

**04.14**

Opening Ceremony of Work-TV

**06.28**

Acquired ISO9001 Certification for the NCS

**09.06**

Opened vocational competency knowledge portal site (HRD-Net)

## 2010



**03.08**

Employed new staff members through open recruitment without 'SPECs (such as qualifications, and language test scores)' for the first time among public institutions

**03.25**

Opened Global Institute for Transferring Skills (GIFTS)

**07.07**

Overall winner of the 42<sup>nd</sup> WorldSkills Competition in Leipzig, Germany

**09.11**

Introduced the 'Work-Learning Dual System', a Korean-type dual system

**10.09**

Received the Prime Minister's Award for the contributions in research and distribution of Hangeul on the 567<sup>th</sup> Hangeul Day

## 2013



**01.16**

Implemented national agendas (6 including NCS, Work-Learning Dual System, and K-Move) in full scale

**05.03**

Moved the HRD Korea headquarters to Ulsan Innovation City (May 3-May 16)

**06.11**

Opening Ceremony of the HRD Korea headquarters in Ulsan new office building

**10.01**

First introduction of CBT test in 12 constantly-implemented national technical qualifications

**11.21**

Finalized the implementation of NCS-based course evaluation-type qualification system

## 2014



**01.01**

Conducted application for internet issuance of national technical qualification card in full scale

**06.23**

Awarded the 1<sup>st</sup> Place Winner of United Nations Public Service Award for the Employment Permit System for foreigners

**07.01**

Opened foreign worker counseling center (HUGKorea)

**09.28**

Overall winner of the the 41<sup>st</sup> WorldSkills Competition in London, United Kingdom

**11.22**

Certified as a family-friendly excellent organization

# 2011



**01.01**

Support business for Vocational Competency Development Training of Employers was transferred from the Ministry of Labor (MOL) to HRD Korea

**03.09**

Appointed the 1<sup>st</sup> Korean Industrial Site Professors

**05.15**

General Assembly of WorldSkills International in Jeju in 2012

**10.11**

First re-entry of committed foreign workers

**11.28**

30 Years of HRD Korea was awarded the Grand Prize in 2012 Korean Business Communications Awards

# 2012



**02.01**

Newly established Qualification Innovation Bureau, Work-Learning Support Bureau, and Support Bureau for Regional Council and Industry Skills Council

**02.10**

Built the Government 3.0 video conference system

**03.17**

Proclaimed a new vision (a central institution for the support of developing, evaluating, and utilizing human resources, which would raise the values of humans and workplaces)

**05.26**

Launched the ISCs (Industry Skills Councils)

**08.11**

Overall winner of the 43<sup>rd</sup> WorldSkills Competition in Sao Paulo, Brazil

# 2015



**01.01**

Newly established Gumi and Gunsan Work-Learning Supporting Centers and Seoul K-Move Center

**05.20**

Received the Prime Minister's Award at the SME Merit Award

**05.25**

Held the EPS Conference in Ulsan

**07.22**

Confirmed and notified NCSs of 847 occupations

**09.28**

Received the President's Award for creating jobs

# 2016



Growth and Development History

# 35 Years of HRD Korea, The Historical Scenes

Part 1 Business Management

Part 2 Business Activities

Part 3 Future Visions





한국산업인력공단



일자리창출유공  
대통령표창수상

주관 고용노동부



인재개발원



# Growth and Development History



Since the foundation in 1982, Human Resources Development Service of Korea (HRD Korea) has changed its roles depending on domestic and foreign economic situations, industrial environment, and governmental policies. The major changes that occurred in the past 35 years are as follows: in 2006 when vocational training business was transferred to Korea Polytechnics, in 2012 when vocational competency development and training support business was transferred from the government, and in 2013, with the launch of Park Geun-hye administration, when HRD Korea played a core role in establishing competency-oriented society for the past 5 years.

In 2006, along with the management of national qualifications test, vocational training field, which was one of the 2 pillars of HRD Korea's businesses, was transferred to other organizations, and in 2012, as HRD Korea started to implement the support business of vocational competency development training of employers, the management of the most popular 12 qualification tests was



transferred to Korea Testing Institute of Technical Qualification. Since 2013, HRD Korea began implementing new businesses that would change the base of vocational development training system in Korea, such as Work-Learning Dual System and NCS (National Competency Standards).

Looking at the flow of the budget, it mostly increased continuously starting from KRW 39.6 billion in 1982, but in 2006, when the role of vocational training was transferred to Korea Polytechnics, it was KRW 185.851 billion to decrease 26.8% YoY. In 2012, the first year since being transferred the support business of vocational competency development training of employers, the budget was KRW 848,577 billion to increase 49.2% YoY. After that, the budget for HRD Korea reached KRW 1 trillion for the first time in 2014, and in 2017 the budget was KRW 1 trillion 352.37 billion to increase 59.4% compared to that of 2012.

Looking at the projects implemented for each era for the past 35 years, HRD Korea has continuously expanded the range of businesses to fulfill the changes in the relevant laws and policies. In the 1980s, vocational development businesses were implemented with the focus on the vocational training, national technical qualification test, and skills encouragement project. In the 1990s, as the government had enacted new industry workforce supply measure and Employment Insurance Act, employment promotion projects began in full scale, while overseas employment support projects had begun to facilitate advancement of domestic workforce into overseas markets. After that, in the early 2000s, NCS began to be developed, and from the middle of 2000s, following the implementation of EPS (Employment Permit System), foreigner employment support projects was newly being implemented.

In particular, in 2006, due to the public training infrastructure innovation measures by the government, HRD Korea transferred vocational training business, which was HRD Korea's representative business, to Korea Polytechnics, and converted HRD Korea's functions and roles to become lifelong competency development supporting organization to implement activities such as supporting human resources development for the SMEs centered on lifelong learning support project for the workers, operating broadcasting and website for vocational competency training, and infrastructure support business including developing vocational training teaching materials and audio-visual media.

In the early 2010s, meeting the history of 30 years, through the expansion of infrastructure including opening of Work TV, and constructing International Skills Promotion Cooperation Center (currently, Global Institute for Transferring Skills (GIFTS)), business performance base was strengthened. Meanwhile,

expansion of HRD Korea's support on SMEs, youth employment competency support, and establishment of vocational competency development integrated information management system enabled HRD Korea to expand the range of human resources services and renovate delivery system.

For the past 5 years starting from 2012, the existing businesses have been continuously being implemented, and at the same time, new businesses, including the support business of vocational competency development training of employers, Work-Learning Dual System, establishment of Region/Industry-Customized Manpower Development System, and K-Move Project, which is a one-step upgrade from the existing youth overseas employment support project, have been implemented.

The background is a solid teal color. It features several thin, white, curved lines that sweep across the page. There are also three small circular dots: one teal dot in the upper right, one white dot in the lower right, and one teal dot in the lower left.

PART 1

Business  
Management

## Changes and Development of the Organization Structure

The Government enacted Vocational Training Act in 1967, and in the addendum, an article was added, 'Korea Vocational Training Management Corporation must be established within 1 year from the enforcement of this act.' However, due to the differing opinions among the relevant ministries, Korea Vocational Training Management Corporation (currently, Human Resources Development Service of Korea) was established in 1982. On December 17, 1981, Korea Vocational Training Management Corporation Act was enacted, and the establishment of the Corporation was promulgated as the Act No. 3,506 on December 31 that year. At that time, 24 regional vocational training centers, the central vocational training center, the vocational training research center, Korea Technical Testing Corporation, Changwon Polytechnic College, WorldSkills Korea, and other relevant organizations were integrated to launch HRD Korea, and was composed of 1 president, 4 vice presidents, and 2,860 employees working in 13 departments (including 1 bureau and 3 offices), which consisted of 37 divisions, and 39 affiliated organizations.

From the late 1980s to early 1990s, major businesses of HRD Korea including vocational training business and qualification test business were established, and reorganization of organization structure and work adjustments to fit the system were continuously carried out. In particular, in 1991, the laws were revised and the functions of the organization were reformed including changing the name of the organization to Industrial Workforce Management Service of Korea, and while abolishing the vocational training research center, the industrial human resources research center was newly established to take charge of policy researches.

In 1988, the name was changed to the current Human Resources Development Service of Korea in order to establish the identity as the organization implementing an even more active and autonomous support work for the development and distribution of human resources in the nation. In addition, 18 polytechnic colleges being operated were incorporated into Educational Foundation Korea Competency Development Academy, and in January 1999, the name was changed to Korea Foundation of Polytechnic Colleges.

Central Employment Information Service was added in 2001. Employment Promotion Bureau and Central Human Resources Development Center, which had duplicate functions with the Employment Security Center of the Ministry of

Labor, were abolished in February 2004. Busan Human Resources Development Town was integrated into Busan Regional Headquarters, and Daegu Office was restructured as regional headquarters. Following the introduction of Employment Permit System (EPS), relevant organization was newly established.

In 2006, following the public training infrastructure innovation measures by the government, vocational training function was transferred to Korea Foundation of Polytechnic Colleges. As the competency development support task was strengthened, the headquarters was converted into head of operations system to be restructured into 5 business headquarters of lifelong competency development, qualification management, foreigner employment support, international cooperation, and business strategy, and the headquarters and the affiliated organizations were converted into team system. Furthermore, Central Human Resources Development Center (currently, Korea Employment Information System (KEIS)) was made into a separate corporation.

In 2008, for the stable establishment and operation of the integrated management system of national qualification tests, Qualification Question Bureau was opened as an affiliated organization, and in 2010, Qualification Question Center was made. In January 2010, Work TV opened, and in 2011, International Skills Promotion Cooperation Center (currently, Global Institute for Transferring Skills (GIFTS)) was started to be constructed.

From 2005, following the Balanced National Development Policy, the headquarters of HRD Korea was aimed to be moved to the local district, eventually moving to Ulsan in May 2014.

## Efforts to Leap into the Central Organization in Human Resources Development

Since the launch of HRD Korea, the organization has changed and the range of work has been expanded with the change of times, and the demands have increased to promote organization culture of sharing and communicating core values of the organization among its members. Accordingly, HRD Korea established a vision, ‘World’s Top Human Resources Development Specialized Organization Implementing Competency-centered Society’ in 2004, and aimed to build a core value related to it through the surveys on the employees and interviews with the executives of the organization.

The 4 core values ‘Humanism, Flexible Mind, Trust, Professionalism’, which

HRD Korea had implicitly shared until the late 2000s, were stipulated, and various activities for the members of the organization were implemented to internalize core values, such as Core Values Practice Activities (Hi-Five), Symbol Contests, Activation of New Employee Mentoring, and 3-Way Meeting among the CEO and the employees. In 2011, HRD Korea received 'Best Family Friendly Management Certificate' and 'Korea Management by Communication Award' organized by the Ministry of Gender Equality and Family (MOGEF).

From the aspect of sustainable management, efforts to establish the brand of HRD Korea has continued, such as being selected as ethical management brand through public contest (2008), revision of ethics charter (2009), establishment of ethical management 4C system, and restructuring 'transparent ethics', one of 4 major management policies, into social responsibility, to be recognized externally such as becoming the 1<sup>st</sup> Place Winner of the United Nations Public Service in the Preventing and Combating Corruption in the Public Service Category, and being selected as 'the top organization in the evaluation of preventing corruption policies'.

The 12<sup>th</sup> President Youngjoong Song, who took office in June 2011, reestablished the vision of HRD Korea as 'The central organization of human resources development to raise the value of employees and workplaces', and proposed, 'customer satisfaction, performance oriented, social responsibility, and aim toward the world' for the management policy.

In 2012, HRD Korea received support business of vocational competency development and training of the employers from the Ministry of Employment and Labor (MOEL), and re-commissioned 12 fields of national technical qualification to the private non-profit corporation, to be faced with numerous changes. This became the turning point for the HRD Korea to be changed from being focused on implementing national qualification test to being focused on vocational competency development support function for the enterprises and workers. Furthermore, the 13 EPS Centers implementing EPS tasks for the foreigners were officially included in the organization as affiliated organizations. Restructuring of the system to support the management policies of the president was continuously implemented. In 2012, to implement HRD total service support for enterprises, the affiliated organization team was restructured from single type to convergence-combined type, established promotion system centered on competencies and performances, newly established competency development occupation to secure HRD experts, and individual performance management system using MBO method was introduced.

In 2013, with the launch of Park Geun-hye administration, HRD Korea started

to implement major Governmental projects such as Work–Learning Dual System, establishment of Region/Industry–Customized Manpower Development System, and K–Move Project, in connection with the policy of accomplishing 70% employment rate, and realizing competency–oriented society. At that time, President Youngjoong Song pointed out in his New Year’s Address, “The biggest topic of our society is the issue on creation of jobs, and competency development”, and announced his will, “HRD Korea will firmly be established as the core organization to solve these kinds of problems in line with the government policies through a new thinking and innovative solutions”.

Accordingly, HRD Korea reflected the national philosophy and vision of the new administration, to change from ‘the top human resources development specialized organization to raise the value of people and enterprises’ to ‘the central human resources development organization to raise the competencies of the workers and workplaces’, and from the previous value–oriented vision to the goal–oriented vision. Through this, HRD Korea established a base to successfully implement national agendas, and dedicated itself to specialize in and focus on vocational competency development business and competency evaluation business. In particular, in order to successfully implement the national agendas of the development and utilization/expansion of the NCS, NCS Center was established as an affiliated organization, and the existing Qualification Question Bureau was incorporated as the responsibility of the competency evaluation director.

For the efficient operation of vocational competency development and training support project for the employers and restructuring the capabilities of the organization to focus on lifelong vocational competency development support, the organization of the affiliated organizations was restructured to be focused on HRD total support team, and overall service on vocational competency development business regarding the regions for each team was made to be supported comprehensively.

As Work–Learning Dual System, establishment of Region/Industry–Customized Manpower Development system, promotion of NCS development and utilization, enhancement of work–education/training–qualification connection through the NCS, and expansion of K–Move were selected as national agendas, and had been expanded and implemented, it was a desperate point to gather opinions on the businesses and to strengthen capabilities of the HRD Korea employees. Therefore, internal and external communications were actively revitalized through ‘Gauss 777 Discussion’, and ‘Gwontojungrae (shaping the future of SMEs through the discussion for each region)’, gathering the opinions from the SMEs.

Collaboration with external organizations were also actively implemented, to achieve supplementations as follows: establishment of NCS development system through the collaboration with the industries; introduction and implementation of Work–Learning Dual System through the collaboration with the Ministry of Education (MOE); unification of overseas internship program, which had been implemented with the collaboration among the 6 governmental ministries, into HRD Korea (K–Move Project); and R&D through the collaboration with Korea Research Institute for Vocational Education & Training (KRIVET).

In 2014, to improve the quality of vocational competency development business, Training Quality Improvement Center was installed at the headquarters, and as the headquarters was moved to Ulsan, Global Center for Transferring Skills (currently, Global Institute for Transferring Skills (GIFTS)) was incorporated into an affiliated organization.

## Management Innovation Centered on the Fields and Performances

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HRD Korea

In August 2014, Prof. Dr. Young–bum Park was appointed as the 13<sup>th</sup> President. President Young–bum Park said in his inaugural address, “I will actively pursue the open management, performance–oriented work–centered operation of organization, enhancement of the capabilities of our employees as the members of the organization leading the competency–centered society, as well as efforts to communicate with our customers and employees, and establishment of reasonable personnel management/rewards system focused on capability and performance, and also actively implement ethical management, and management of coexistence and harmony”, and this acted as the principle for the organization management as well as major businesses and issues of HRD Korea including national agendas.

In order to realize performance–oriented management putting customer support as the topmost priority, President Young–bum Park changed the vision of HRD Korea to ‘the central organization to support the development, evaluation, and utilization of human resources to raise the values of people and workplaces’, and established the management policy of ‘Site–Oriented, Performance–Oriented, Communication and Empathy, and Transparency and Trust’.

For the site–based performance–oriented management, President Young–bum Park, after being inaugurated, visited regional headquarters, local offices and qualification test centers, as well as enterprises and training sites supported by



the HRD Korea 2 to 3 times a month. Furthermore, performance improvement meetings by the affiliated organizations in the 6 districts were conducted once every quarter to hold 24 meetings annually, and site visits and meetings of the relevant organizations for each business were held 33 times a year. Focus Group Meetings for each business area were held every week to check, inspect, and improve the performances of core national agendas, and the previous management strategy meetings with focus on headquarters were changed so that affiliated organizations would participate through the video conference, to encourage problem-solving and performance-centered discussions in the meetings. Performance-related personnel management system was established through the stable introduction and establishment of salary peak system, enlargement of performance-related pay, enhancement of cascading between superordinate and subordinate goals, and evaluation on realization of leadership.

Government-approved Maximum Number of Employees of HRD Korea by Business Classification (2012–2016)

(Unit : No. of employees, %)

Classification		No. of Employees					
		2012	2013	2014	2015	2016	Average Annual Increase
Head- quarters	Planning and Operation	97	96	98	93	94	-0.8
	Competency Development	72	87	73	76	84	3.9
	Competency Evaluation	89	86	130	145	149	13.7
	Foreign Workforce Support	37	37	37	39	39	1.3
	Global Employment Support	29	28	35	37	43	10.3
	Subtotal	343	353	392	414	434	6.1
Affiliated Organizations	Qualification Question Bureau	104	105	-	-	-	
	NCS Service	-	-	49	-	-	
	NCS Center	-	-	-	20	30	
	GIFTS	-	-	40	38	38	
	Subtotal	104	105	89	58	68	
Regional Headquarters & Local Offices		651	650	696	731	789	4.6
Total		1,098	1,108	1,177	1,203	1,291	3.9

Note : PR, secretary, and audit personnel are only included in the subtotal of headquarters

Site-related restructuring of the organization and allocation of workforce were also strengthened. The organization of the headquarters was slimmed down, and 4 regional work-learning centers in regions including Gumi, and K-Move Centers in Seoul and Busan were newly installed. The allocation of human resources to strengthen the focus on site can be confirmed in the changes in number of employees for each jurisdiction. For 5 years from 2012 to 2016, the total number of employees in HRD Korea had increased by 3.9% annually, while competency evaluation in charge of matters such as national qualifications showed 13.7%, Global Employment Support Bureau, in charge of the national agenda K-Move, showed 10.3%, and regional headquarters and local offices moving the field of the total works by HRD Korea showed 4.6% of average annual increase.

For the rationalization of management and efficient business implementation, the organization was restructured, the NCS Service, which was composed of 2 offices and 6 teams in 2014, changed its name to NCS Center in 2016, after the 1st development and establishment of infrastructure were completed. The existing Qualification Innovation Bureau under the NCS Service was left under the jurisdiction of Competency Evaluation Director, and reform of the NCS-based qualification were started to be implemented. NCS-based course evaluation-type qualification work, which used to be the responsibility of Qualification Innovation Bureau, was made into a separate Course Evaluation Bureau in 2017, as the businesses have been expanded.

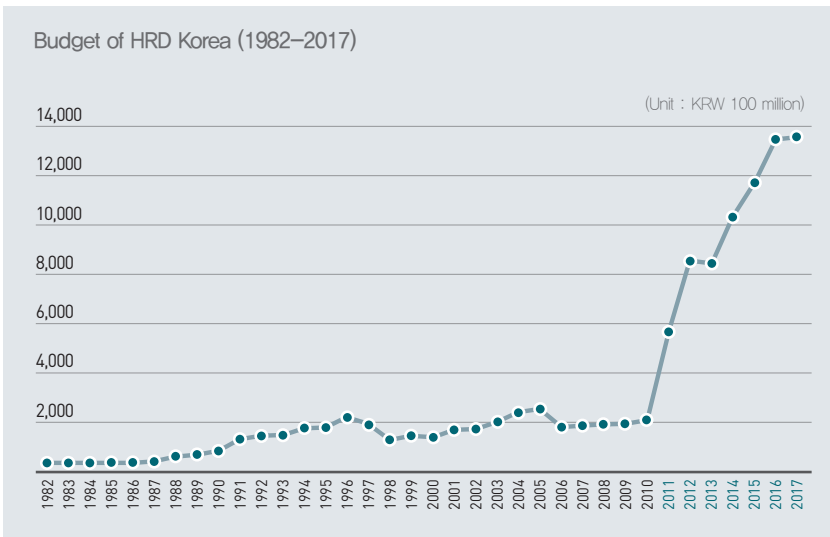
In 2015, support groups for each Regional Council (RC) and each Industry Skills Council (ISC) were made to be officially included in the organization as Support Bureau for RS and ISC, and the existing Work-Learning Support Team was expanded to be newly established as Work-Learning Dual System Support Bureau composed of 3 teams. At the same time, to spread Work-Learning Dual System across the whole nation, Work-Learning Support Centers were newly established. In 2016, Gumi Work-Learning Support Center and Gunsan Work-Learning Support Center were newly established at Gyeongbuk Local Office and Jeonbuk Local Office, respectively, and in 2017, Work-Learning Support Centers were also newly installed in Jinju (Gyeongnam Local Office) and Anseong (Gyeonggi Local Office).

To overcome the limitations of information provision on overseas employment support focused in online, in 2015 Seoul K-Move Center were installed. The K-Move Centers were also expanded to overseas, such as Dubai, UAE (2015), and Tokyo, Japan (2016), to make a strong foothold for Korean youths to advance into overseas. Regarding the introduction of foreign workers, in 2017

EPS Center was newly built in Laos, to operate EPS Centers in total of 16 countries. Further, Future Strategy Team to strengthen policy R&D function was newly installed, to be officially included in the organization in 2015, from TF Team in 2014.

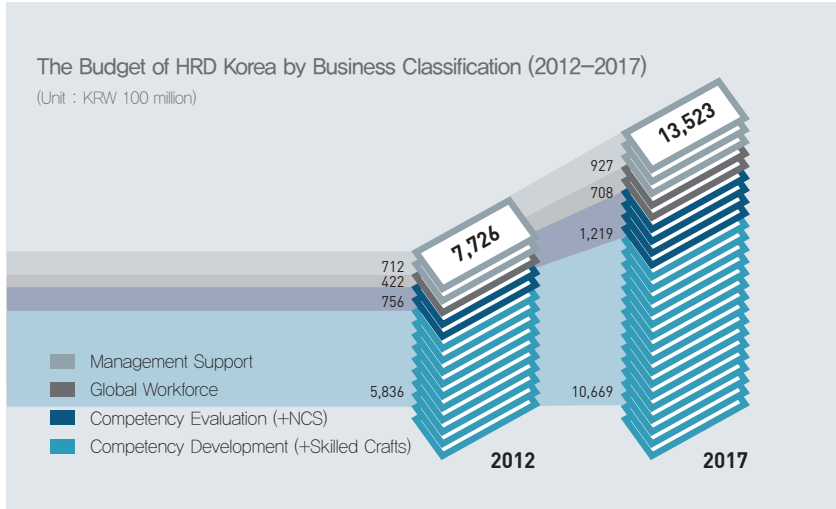
In April 2015, as the Korean Skills Quality Authority (KSQA) was newly established, certain functions of the HRD Korea were transferred to the KSQA, and thus close cooperation between HRD Korea and KSQA became important for the efficient operation of vocational training delivery system.

The HRD Korea’s budget was hugely increased as the operation of vocational competency development and support project of training of the employers was transferred to HRD Korea in 2012. Since 2012, the average annual increase of budget was 12.2% to reach KRW 1 trillion in 2014, and in 2017, it reached KRW 1,352 trillion. These budget increases were due to the development of NCS and overseas employment support business being implemented in full scale, and at the same time, also due to national strategic workforce development training program being expanded to Region/Industry–Customized Manpower Development Project, and the introduction of Work–Learning Dual Support System, which is a Korean type apprenticeship system.



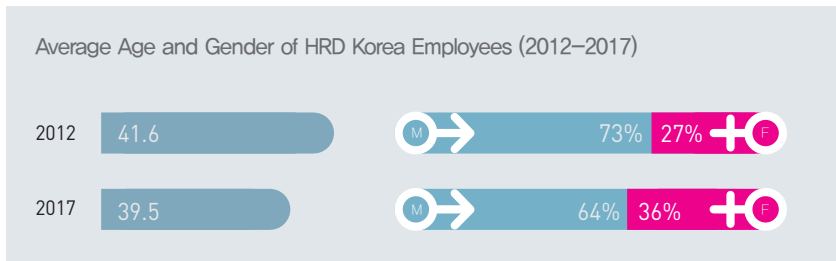
Looking at the budget by businesses, since 2012, management support showed 5.4%, competency development showed 12.8%, competency evaluation showed

10.0%, and global workforce showed 10.9% of average annual increase. The budget increase rate of management support indicating under 50% of business fields shows that budget allocation of HRD Korea is site-centered.



## Efforts to Enhance Communication-centered Management and Strengthen Employees’ Competencies

As the businesses of HRD Korea have been diversified and the budget and manpower have increased dramatically, the employees who have entered since 2012 are 40% of total employees, and the average age of the employees have been reduced from 41.6 years old in 2012 to 39.5 years old in 2017. As the whole organization has become younger internal communication has become important, and thus communication channels tailored for the characteristics of various interested parties have been established.



Since 2015, ONE HRD KOREA movement was continuously carried out. Various activities were implemented including ‘Relay Talk Talk’ and mentoring between the executives and employees to establish trust beyond the positions, resolving the time and space barriers by holding open seminar through video conference with regional headquarters and local offices, other department exchange experiences, and discovering agendas for the efficiency of works. Furthermore, a foundation was laid to create unity in the organization, by integrating qualification testing centers, which were separately organized after Korea Testing Institute of Technical Qualification was established, into regional headquarters and local offices.

In order to realize site-centered business performances, President Young-bum Park strengthened internal and external HRD Korea communication channels managed by the CEO. First, regarding internal communication channel, through ‘HRD Junior Board’ to strengthen communication and empathy between the generations, ‘Relay Talk Talk’ to expand communication between the executives and employees, and between the lower and upper ranks, ‘Lunch Talk Talk’ to have the CEO and employees have lunch together, ‘Movie Talk Talk’ to have the CEO and employees watch movies together, and ‘Dadok Dadok Meeting’ for the CEO and employees to read books and communicate, internal communication and empathy channels were strengthened. In addition, efforts were made to remove the barriers within the organization and for communication and empathy, through the ‘Sam Sam Oh Oh’ to expand empathy during the lunch meetings, and ‘Other Departments Exchange Experience’ to revitalize communications between the departments.

In particular, for the external communication and empathy, the CEO presides over the ‘open seminar’ every month where relevant experts discuss the current issues of HRD Korea’s businesses, and for the communication with academic world, solidarity with the academy was strengthened. For the representative efforts to strengthen collaboration system with relevant organizations, regular meetings with the Korea Employment Information Service (KEIS) and Korea Research Institute for Vocational Education and Training (KRIVET) are held once every quarter to improve the problems at the site through ‘communication and empathy’.

Programs to strengthen expertise of the employees needed to perform various national agendas were carried out. In 2012, a project to examine and seek ways to improve the internal HRD strategy and educational system and program was conducted, and new education programs including service education and

business skills, HRD expert course, and EPS Planner Course were introduced. In 2016, programs to enhance competency of employees to lead the competency-centered society were continuously implemented including HRD Consulting Expert Course, NCS-utilizing Enterprise Consulting Expert Course, and foreign language enhancement education and global employment expert development to strengthen expertise of employees doing international work.

Furthermore, based on NCS, internal career development roadmap that starts from experts in each occupation (business planning, vocational competency operation, work-learning dual system support, skills encouragement, qualification design, operation of technical/professional qualifications, NCS, global employment support, foreign workforce support, etc.), through the convergence experts (management/general affairs, competency development, and qualification question making) to the top occupational experts (Planning and Operation, Competency Development, Competency Evaluation, and Global Workforce Utilization), were established.

Measures to increase the number of women managers have been implemented. In the mid-2000s, Women Employment Quota System was introduced, and after that, competency improvement program and Working Mom Tailored Education Course in cooperation with Korean Institute for Gender Equality Promotion and Education were implemented. The quantitative changes following the above actions were increase of women employees from 27% in 2012 to 36% in 2016, and the managers at a level of team leader or higher were increased from 6 in 2012 to 14 in 2016, which is a 133% increase.

A representative project to realize Transparent and Reliable management policy is Ethics-Solution. First, the first stage is to proclaim ethics practice doctrine such as resolution to demonstrate integrity, second stage is for the higher ranking employees centered on CEO to lead by example and improve the system, and the third stage is to improve organization integrity through the expansion of communication between the employees and customers. To spread integrity culture of the organization, various programs have been operated, including CEO letters being delivered right before the traditional holidays; 'Integrity by My Side', which is an integrity festival, sending text messages on integrity, promoting integrity with comics and cards, and integrity movement where labor and management get together. With these efforts, HRD Korea was selected as 'the top organization in the evaluation of preventing corruption policies' in 2016.

## Advancement of Information System

Regarding information business, HRD Korea established its own computer system in May 1989, and since the establishment of HRD Korea, has continuously given efforts to improve efficiency in work through the establishment, operation, and advancement of information system.

HRD Korea has expanded information provision capability in the mobile environment, starting from Q-Net mobile service in 2012, to establishing mobile office in 2013, developing mobile web in the NCS website. In 2014, cloud system was established to prepare base for smart work, and MIS 3.0 was established. The response capabilities in mobile environment was often recognized externally, with the Q-Net mobile service being selected as the top prize in the ‘2014 Excellent Public Mobile App Contest’, and the App of the year at the ‘App Award Korea 2014’.

In 2015, management information service to make the business efficient was strengthened. Qualification information database (DB) and WorldJob+ database (DB) obtained ‘Database Qualification Certification-Value Platinum Class’, qualification information DB was awarded ‘Database Quality Top Award’ (Minister of Science, ICT and Future Planning Award), and WorldJob+ DB was awarded ‘Database Quality Award’. In 2016, Global Institute for Transferring Skills (GIFTS) website and Comprehensive Information Network for Outstanding Skilled Technician were integrated to create a Meister Net, which is a portal service for the skilled techniques. WorldJob+ has strengthened the function of providing overseas employment information integrated service on the website, and was awarded grand prize in ‘Korean Good App Evaluation in Overseas Job Seeking Category’, and Q-Net Mobile App, which has continuously made advancements, was also awarded excellence award in ‘Korea Mobile Award’.

## PART 2

# Business Activities

1. Competency Development
2. Competency Evaluation
3. Support for Employment of Foreign Workers
4. Overseas Employment Support
5. Skilled Crafts Encouragement Project



# 1. Competency Development

## History and Outline

In the 1980s and 1990s the vocational competency development support business was mostly focused on vocational training to strengthen employment abilities of youths not advancing to higher level of education and supporting cultivating skills for the workers in the industry.

In the 2000s, the advent of lifelong competency development era brought about the changes in the governmental policies. By these changes, in 2006, the function of training skilled workforce directly through vocational schools and polytechnic colleges was transferred to the Korea Polytechnics which was then established and given a role of supporting organization for lifelong skills development for SMEs and workers. Since then, HRD Korea has concentrated on implementing support projects such as SME Learning Organization support, human resources development diagnosis within enterprises and certification of outstanding organization, SME core vocational competency improvement support, tuition support for SME workers, and development & distribution of e-Learning content.

In 2007, as the Enforcement Decree of the Employment Insurance Act was amended, execution of vocational competency development business, which was previously implemented by the Ministry of Labor (MOL), was commissioned to HRD Korea, and thus, vocational competency development training support businesses, such as preferentially-selected-occupation training, and SME vocational training consortium were conducted by HRD Korea.

The year 2012 was the first year to implement vocational competency development training support business commissioned from the Ministry of Employment and Labor (MOEL) and that year the budget of the HRD Korea

increased drastically with vocational competency development support for SME workers being increased by over 10 times compared to that of the previous year. HRD Korea met challenges of successful establishment of the new business and innovation of operating process organization-wide.

In 2013, with the inauguration of Park Geun-hye administration, HRD Korea faced a turning point to revitalize its business once again, by newly designing and implementing major national agendas, such as Work-Learning Dual System, and building a Region/Industry-Customized Manpower Development System, in association with the government’s employment and vocational competency development policies. In 2016, for contributing to creation of jobs through successful implementation of national agendas, HRD Korea received president’s award.

## Business Status and Major Accomplishments since 2012

Work-Learning Dual System is a hands-on talent development system in which the enterprises conduct systematic job training for the workers, and then evaluate the learning workers’ competencies to recognize their academic diplomas and qualifications. It was the apprenticeship system designed and introduced to fit the circumstances of Korea by benchmarking the systems in Germany and Switzerland.

In 2013, in the first year of the business, 51 enterprises and 393 learning workers participated in it. In 2014, participation by the top enterprises was actively promoted and detailed activities were enhanced, to find the SMEs and high potential enterprises with the capabilities, and had them participate

Operating Status of Work-Learning Dual System  
(2013-2016, cumulative total)

(Unit : Enterprises, No, No. of People)

Classification	2013	2014	2015	2016
Participating Enterprises	51	2,079	5,764	8,679
Program Certification	43	1,470	4,709	9,283
Training Enterprises	31	730	2,705	6,214
Learning Workers	171	3,197	10,869	35,324

in it. Furthermore, through the collaboration with the Ministry of Education (MOE), the subjects of training was expanded from the school graduates-focused to include the high school students, and made accomplishments such as designating and operating 56 joint training centers for each district, and introducing pilot apprenticeship system for specialized high schools. In accordance with the ‘Industry–Academic Cooperative Apprenticeship School Trial Introduction Plan’ specified in the Youth Employment Measures announced in April 2014, introduction of apprenticeship schools began in earnest. In 2015, the subjects of competency-based society policy were expanded to high schools, colleges, and 4 year universities, to implement Work–Learning Dual System according to the stage of schooling. Since then, efforts to realize competency-centered society rather than academic clique has continuously been carried out. Thus, for the students, the system is set as follows: ‘Industry–Academic Cooperative Apprenticeship School’ at the high school stage; ‘Uni–Tech’, which is a high school and vocational college integrated education; and ‘IPP–type Work–Learning Dual System’ for the juniors and seniors at 4–year universities. HRD Korea is making various efforts to reach the goal of 10,000 participating enterprises by 2017, and to raise the quality level of the system. Work–Learning Dual System was recognized as one of the most successful projects in *2016 OECD Economic Surveys Korea*.

Region/Industry–Customized Manpower Development System building project is a project to support development, management, and utilization of human resources by organizing Regional Councils (RCs) in each city and province nationwide, and Industry Skills Councils (ISCs) to adjust demand and supply of workforce among the regions and/or industries concerned through mutual connection and consultations.

From the end of 2013 to February 2014, RCs conducted the first regional training surveys, and since then have been conducting regular surveys on training demands for each region between July and October. Based on these results, region/industry–customized training is conducted to raise the substantiality and satisfaction, while training expenses are granted with differentiated support depending on the size of enterprises to expand the participation base of SMEs in vocational competency development, and using direct promotion methods, the understanding and participation of enterprises in the system were enhanced. Starting from operating 29 joint training centers in 2014, the number of centers was increased to 51 in 2015, and 62

in 2016, to be operating 2 to 9 joint training centers for each region. The number of trainees through this project was increased from 34,405 in 2014 to 53,850 in 2015, and 58,866 in 2016. The number of employed to the SMEs through this program was 3,648 in 2014, 5,284 in 2015, and 5,963 in 2016, to increase the contribution in resolving labor shortages of SMEs. Therefore, the establishment of Region/Industry–Customized Manpower Development System is expected to function as the foundation for implementing vocational competency development centered on employers.

In the case of support project for the vocational competency development training by employers, the revitalization of the project was actively sought, such as improving the project to user–centered for its operation to raise the effects of vocational competency improvement for the workers. Through the rationalization of training expenses, the burden by the employers for the training expenses also was reduced. In 2016, vocational competency development training support of KRW 515,625 billion (cumulative total of 1 trillion 917 billion 282 million from 2012 to 2016) to the training of the 3,076 million trainees (cumulative total of 17,221 million from 2012 to 2016) were provided.

**Region/Industry–Customized Manpower Development System building support project (2014–2016)**  
(Unit : No, No. of People)

Classification	Total	2014	2015	2016
Joint Training Centers	142	29	51	62
No. of Trainees	147,121	34,405	53,850	58,866

**Vocational Competency Development Training by Employers (2012–2016)**  
(Unit : trainees in thousands, KRW 1 million)

Classification	계	2012	2013	2014	2015	2016
No. of Supported Trainees	17,221	3,606	3,948	3,615	2,976	3,076
Budget	1,917,282	323,004	331,405	361,882	385,366	515,625

Consortium for HRD Ability Magnified Program (CHAMP) has played a part in building workforce development ecosystem in which SMEs and large corporations coexist, and at the same time, is providing advanced training courses to strengthen the competencies of SMEs, and establishing an SME study system for the virtuous cycle of work–innovation–study. In 2016, including the current workers, training support has been made to 215,793 people through the Consortium for HRD Ability Magnified Program (CHAMP), and of the 4,234 people who had completed the training, 70.4% were successfully employed.

In addition to the above projects, HRD Korea has strengthened coexistence and cooperation between the SMEs and large corporations by conducting training using the facilities and equipment of the joint training centers of large corporations for each Metropolitan area to provide SME–tailored vocational competency development support enhancement projects. Those who have difficulties for matching funds such as national and public colleges, and public research institutions, have been exempted from matching funds to seek improvements in training quality. Further, HRD Korea implemented lifelong competency development support project focused on SMEs and workers by putting forth multilateral efforts including the following: through securing employment stability for the training support staffs, the responsibilities for the training have been strengthened; efficient usage of training facilities and equipment led to the increase in training efficiency; and through the implementation of differentiated incentives, which reflect training performance evaluation results, the quality of training has been improved.

Learning Organization Support Project has supported the establishment of autonomous study system for SMEs to help to improve the competitiveness of the enterprises. In 2016, the knowledge proposal activities by the members of participating enterprises were 7,410 cases for the whole year, and of those there were 42 cases of applying for patent. This project has been continued since 2006, and with continued improvements of the system, is now being established as site–centered support project.

To resolve youth unemployment, which is one of the major problems in the Korean society, HRD Korea is implementing 5 major projects, including Youth Employment Academy, Employment Stepping Stone Program, and Vocational Training School for Youth Employment. Youth employment rate of these five major projects has risen from 61.1% (16,089) in 2014 to 65.6% (18,791) in 2015 and 70.5% (21,613) in 2016.

Youth Employment Academy has newly opened Humanities Specialized Program in 2015 to improve employment competencies of the college students in Humanities Departments, and in 2016 with the policy improvements, was expanded and strengthened support by making training participation benefits in connection with employment success package.

In 2016, for a new project, Employment Stepping Stone Program for the vocational competency development and employment support for the youths was operated by the public/private partnership to contribute to creating jobs through the competency enhancement on site. In the first year of the project, 7,667 youths and 38 organizations including Hyundai Motor Company and KORAIL participated in the training.

Vocational Training School for Youth Employment provides specialized expert vocational training including interior architecture, machinery, and beauty treatment to the youths outside of school. The employment rate of the program went up to 70.2% in 2015 and 74.2% in 2016, and training satisfaction was high at 4.13 points.

HRD Korea developed and distributed innovative HRD content focused on consumers, and expanded the roles of Work TV as a specialized channel for employment and jobs. In the meantime, systematic and professional training monitoring has been strengthened.

HRD content has been developed and distributed in various forms such as simulations and high quality images to fulfil the development of technology. In 2016, 222 kinds of e-Books were made, and 82 kinds (240 videos) of contents of NCS competency unit were developed and distributed. In the enterprise learning network ([www.bizhrd.net](http://www.bizhrd.net)) created in 2013, 6,005 enterprise members

Youth Employment Academy Operation (2012–2016)

(Unit : No. of People, No.)

Year	2012	2013	2014	2015	2016
Organization	59	82	84	78	87
No. of Trainees	8,000	13,660	14,367	10,765	12,732
Completed trainees	6,946	11,658	11,840	8,834	-
No. of Employed Trainees	4,181	6,569	6,501	4,559	-
Employment Rate	60.2	56.3	54.9	51.6	-

are enrolled. In 2016, HRD Korea made support so that vocational competency development related content could be used anytime, anywhere, and by anyone, to provide 330,000 cases. Work TV ratings in 2016 was 50 times higher than that of 2015. YouTube views were increased 25%, with 3.85 million in 2015 and 4.82 million in 2016. Thus, the rise in channel awareness made it possible to attract public advertisements by the enterprises, and the profits from the advertisements are being re-invested to reduce social costs.

In order to support revitalization of sound training market, training monitoring system has been advanced. In particular, fraud in vocational competency development training by employers has increased 18 times in the last 5 years, and of those, remote training took up 94%, so remote training fraud monitoring system was strengthened. Regular meetings for each quarter with the Korea Employment Information Service (KEIS), which is the operating organization of HRD-Net, the portal that HRD Korea mostly use for the implementation of the project, has been directly managed by the CEO since 2015. As a result, collection and usage of information for the monitoring has greatly improved. Since 2016, HRD Korea has systematically led the collaboration organizations including the Ministry of Employment and Labor (MOEL) and Korean Skills Quality Authority (KSQA) and provides monitoring results to these organizations. Accordingly, fraud was reduced by 12.4% from KRW 4.793 billion in 2015 to KRW 4,201 billion in 2016, and as a result of monitoring in 2016, 143 cases out of 199 cases of policy proposals were accepted.

## 2. Competency Evaluation

### History and Outline

In 1973, the government enacted National Technical Qualifications Act to reasonably organize and manage the various existing qualifications systems and achieve efficiency in operation, to prepare base for the implementation of national qualifications system focused on technical qualifications. In December 1981, National Technical Qualifications Act was amended, so the responsible ministry related to technical qualifications was changed from the Ministry of Science and Technology to the Ministry of Labor, and HRD Korea, founded in 1982, was given the responsibility of implementing the national qualifications system.

In the 1980s, HRD Korea made the test questions that would fit the work details of the industrial site, and announced the practical test questions. HRD Korea also made efforts to improve fairness, including computerizing the Test Bank and improving test evaluation methods.

In the 1990s, qualification test handling procedure and methods were simplified, and through the installation of constantly-implemented test centers, expansion of test regions, and online tasks, HRD Korea made efforts to implement qualification tests focusing on the convenience of examinees. Furthermore, the class system, which was dualized in technology and skills, were unified, and established plans to newly implement national technical qualifications in office management field, to seek new tasks in qualification categories related to real estate, finance, stocks, insurance, business management, labor management, and damage assessment.

In the late 1990s, HRD Korea obtained ISO 9001 Certification established by the International Organization for Standardization (ISO) in the national



technical qualification test field for the first time in the world. As part of securing international mobility for the qualification certification system, HRD Korea made efforts to make external development of national qualification test, such as actively implementing Asia–Pacific Economic Cooperation (APEC) Engineering Project and Korea–Japan IT Certification Mutual Recognition Project.

In the 2000s, many changes were made in the implementation and operating system of the national qualifications system with the continuous establishment and integration of qualification fields, due to the development of new industries and new technology, diversification of social structure, and raising awareness on the lifelong competency development. Accordingly, HRD Korea continued to make efforts to successfully operate national qualifications test such as building a new system and improving existing systems to establish reasonable national qualifications test system, efficient operation of businesses, and raising the convenience for the customers. Furthermore, National Competency Standards (NCS) development project, which is the base for the operation and evaluation of national qualifications system, has been commissioned by the government to implement since 2002.

In the late 2000s, to fulfil the 2<sup>nd</sup> Basic Plan for the Development of National Technical Qualifications System to improve the usage of low–carbon green growth policy of the government at that time, HRD Korea sought to reorganize the national technical qualifications system reflecting the demands of the industrial sites. In particular, HRD Korea especially focused on greening of the national technical qualification categories, to reflect green field technology every year to newly organize national technical qualification categories.

From 2008, HRD Korea began integrated management of 21 national professional qualifications, which were made possible by the relevant law to create a foundation to leap into a hub organization for national qualifications. Using the existing national technical qualifications infrastructure, national professional qualifications were managed and implemented with the standardized procedure and methods, and qualification test regions were expanded to raise the reliability of qualification and work process was improved to achieve the effects of reducing the government budget by realizing economies of scale through the integrated management of national professional qualifications. In particular, in 2010, for the stable performance of national qualifications tests, Question Publication Center equipped with strict security, accomodations, and printing facilities was built in Busan.

In the early 2010s, those who obtained qualifications increased hugely to 8 million, which were about 5.9 million when the HRD Korea was first founded, to establish the national qualifications era early.

In 2012, 12 constantly-implemented tests of national technical qualifications were commissioned to Korea Testing Institute of Technical Qualification (established as a non-profit private organization, then designated as non-classified public institution in 2017), so there was a change in the functions and roles of HRD Korea, which had solely implemented national technical qualifications business up to that time.

## Business Status and Major Accomplishments since 2012

HRD Korea had been developing NCS from the early 2000s. As NCS was included in the core national agendas of Park Geun-hye administration, HRD Korea put in efforts from early on to develop 847 NCSs by 2015, and in July 2016 attained legal status through the finalized notification by the Minister of Employment and Labor.

In 2016, for the speedy dissemination of the developed NCSs, NCS development part of the organization was reduced, and the part in charge of utilization and dissemination was expanded, thus restructuring the organization in a timely manner. At the same time, NCSs for 50 occupations were newly developed, which was led by the industry, and NCS development process was improved, such as strengthening expert preliminary education, and newly establishing Working Group (WG) Deliberation Committee Review Meeting.

In particular, for the successful utilization and disseminations of NCSs, HRD Korea has made efforts to improve the accessibility to the information about NCS content such as building and operating NCS & study module integrated portal site, operating NCS Q&A center, and sending NCS utilization trend magazine (for over 50,000 members per issue).

In addition, HRD Korea is making efforts to promote NCS-based competency-centered employment system by the public institutions, starting from signing MOU on competency-centered employment among the 130 public institutions, including the Ministry of Strategy and Finance (MOSF), and Korea Electric Power Corporation (KEPCO). As of end of 2016, competency-centered employment consulting for 230 public institutions and 14 regional

public corporations had been completed. In particular, to improve information accessibility for the job seekers, competency-centered site was newly created to provide NCS-based employment information. Employment briefings by visiting regions are provided and regular employment briefings are also held.

In the vocational training field, HRD Korea led the innovation with the notification on the training standards for industry-led and NCS-based restructuring of 847 occupations, and for private training institutions, HRD Korea developed and distributed NCS-based training formation manual, online training courses, etc.

Currently, HRD Korea is aiming for the dissemination of NCS utilization and quality management of NCS with the goal of promoting competency-centered recruitment by the enterprises, and strengthening on-site practicality of education, training, and qualifications.

HRD Korea is implementing restructuring of national qualifications system, design and operation of course evaluation-type qualification system, and external evaluation of Work-Learning Dual System based on NCS. To realize competency-centered society based on individual vocational competency rather than merely improving one's resume such as academic clique, HRD Korea is developing, improving and disseminating NCS, and also trying to build NQF (National Qualification Framework) so that individual competency would be improved and recognized through various routes.

Developmental Status of National Competency Standards (NCS) (2013–2016)

(Unit : Jobs)				
Total	2013	2014	2015	2016
897	240	557	50	50

Operation of national qualifications system by HRD Korea aims to support development of workers' vocational competency, and contribute to raising the social status of professional technical workforce, and at the same time aims to facilitate lifelong competency development of the citizens, realize competency-centered society, and develop national economy by firmly establishing competency evaluation system needed for the demands of the industrial sites through the efficient management and operation of national qualifications test system.

Currently, national qualification business of HRD Korea is roughly divided into operation and restructuring of national qualifications system, making questions and implementing national technical qualifications (479 qualifications) and national professional qualification (39 qualifications), operation and evaluation of course evaluation-type qualification, external evaluation of Work-Learning Dual System, management of qualification information, and commissioning and acceptance of consignment of national technical qualifications.

In order to overcome the gap between the vocational training and qualification system with the industrial sites, which had been continuously pointed out, HRD Korea has strengthened organic connection between vocational training and qualification centered on the tasks at the site to implement introduction of course evaluation-type qualification that could develop site-tailored outstanding technical talents.

After revising and newly establishing Article 10 of National Technical Qualifications Act to prepare legal basis for introducing course evaluation-type qualification system in May 2014, infrastructure was built to operate course evaluation-type qualification, such as designating 15 qualifications, including Industrial Engineer Machinery Design, as course evaluation-type qualification application targets. After that, 15 qualifications including hairdresser were added, and in 2016, 31 qualifications including Engineer Machinery Design were added, respectively, to prepare a base for spreading course evaluation-type qualification.

For those who had completed internal evaluation of course evaluation-type qualifications, after the completion of the course, led by the industry, 174 applied for the external evaluations conducted by reflecting the characteristics of each qualification and 51 passed (29.3%) in 2015, and in 2016, 1,174 applied for the regular and non-regular external evaluations and 670 passed (57.1%).

In 2016, HRD Korea signed MOUs for the spread and development of course evaluation-type qualification with 6 enterprises including Hyundai Motor Company, and Ssangyong Motor Company, to prepare the foundation to spread course evaluation-type qualification, and in August the same year, HRD Korea put in efforts to spread course evaluation-type qualification through external PR activities, including signing MOU with the Army to utilize and spread NCS.

Selection of Course Evaluation–Type Qualification Occupations (2015–2017)

(Unit : Occupations)

Classification	Total	2015	2016	2017
Engineer	2	-	-	2
Industrial Engineer	19	7	3	9
Craftsman	38	8	11	19
Service	2	-	1	1

Regarding the Work–Learning Dual System to reduce to social cost needed for the initial education after hiring employees, external evaluations are being conducted for the learning workers who have completed Work–Learning Dual Program. The initial evaluation was conducted for the 8 workers in 3 companies and 7 of them passed in 2014, and in 2015, through total of 9 external evaluations, 3,804 workers from 1,158 enterprises applied and 1,780 of them passed (passing rate 46.8%). In 2016, total of 11 external evaluations were conducted for the 1111 enterprises, and of the 3,682 applying workers, 1,687 of them passed to show 45.8% passing rate. Additionally, Industry–Academic Cooperative Apprenticeship Schools implemented the first external evaluation in 2016, in which 443 from 159 schools applied and 349 of them passed, to show final passing rate of 78.7%.

Of the 44 national professional qualifications, HRD Korea is managing 37 of them, which has the legal background prepared for commission in accordance with the relevant laws. 4 qualifications including Certified Public Accountant (CPA), is being operated by the Financial Services Commission (FSC), and the 3 qualifications related to radiation, which had been operated by the HRD Korea, was re–transferred to the Korea Institute of Nuclear Safety (KINS), due to the revision of Atomic Energy Act at the end of 2012.

For the quality improvements in the question making of the national qualifications tests, HRD Korea has put in efforts to produce and use information package related to the question making, expansion and reorganization of good–quality exam–panel–members infrastructure, stable passing rate through the establishment of smart–question making management system, formation of consultative group to improve question making for each qualification and prepare developmental measures, and expansion of test information disclosure. In particular, through the

establishment of national professional qualification smart question making management system, HRD Korea has prepared the base to advance question making process such as determining appropriate scores for each subject, and evaluation of level of difficulties of the questions of the test.

Accordingly, the national professional qualification has acquired 'ISO 9001 Certification' and established quality management system, by doing as follows: expanded the utilization of smart question making management system to stabilize level of difficulties of the test questions and resolve deviation in passing rate; and question-making and management system was standardized to fit the international level, such as improving the reliability of the qualifications. Furthermore, to realize full customer satisfaction through the improvement of information accessibility by the customers, disclosure of test papers and score information of the examinees are expanded to all qualifications, and in addition to the implementation plans for each qualification, statistical status and trend analysis information are additionally disclosed to fulfill the customers' rights to know and increased the convenience.

While establishing question making system focused on strengthening the on-site practicality to make questions for the national qualification test centered on industrial sites, and as a part of that plan, HRD Korea has established and operated passing-rate stabilization program (Korea Expert system of making-question Management for Special certifications, KEMS) based on national professional qualification question-making data for the recent 5 years for the advancement of expertise in national professional qualifications. Moreover, the preliminary question-making method of interview test for the national professional qualifications were improved from the previous independent and decentralized random questioning method by the affiliated organizations to the implementation of same questions organized by the headquarters, and thus the accuracy, impartiality, and fairness of the test questions were achieved.

In the case of 'Adjustment Method and System of Level of Difficulty of Test Questions', HRD Korea obtained patent to prepare a scheme to officialize intellectual property for the first time since the foundation of HRD Korea, and also scheme to advance the management of making questions for the national professional qualifications through the stabilization of passing rate. Furthermore, to organize the range of the questions that would fit the industrial site, HRD Korea implemented NCS-based question-range restructuring, by holding the meetings and councils for the range of questions for each qualification. This is to improve the previous old range of

questions, and to secure the on-site practicality and job relevance of national qualifications through the changes of question making ratios considering the characteristics of each qualification.

From the initial stages of implementing national technical qualifications, HRD Korea has composed and distributed *Statistical Yearbook of National Technical Qualifications*, which contains qualification information and the status of those who obtained the qualifications, to give support so that various subjects, including governmental organizations, educational/training institutions, associations & groups for each field, the press, and the examinees who wish to obtain qualifications, could use them. In the case of national technical qualifications, HRD Korea, which is the hub organization, integrates information on national technical qualifications of the 8 commissioned organizations including Korea Chamber of Commerce and Industry (KCCI), and Mine Reclamation Corporation (mireco), to publish and distribute *Statistical Yearbook of National Technical Qualifications* and *Basic Statistics of National Technical Qualification Examinees* annually. The information concerned is supported through Korean Statistical Information Service (KOSIS), public data portal ([www.data.go.kr](http://www.data.go.kr)), national qualification network Q-Net, so that the users could use the statistical information conveniently.

The status of course evaluation-type qualifications and those who obtained those qualifications, which was first produced in 2015, were reflected in *Statistical Yearbook of National Technical Qualifications of 2016*, and to improve the convenience of statistical information users, the formation was restructured by integrating the previously-separately-provided test status and obtained status, so that they could be viewed at one glance. Furthermore, the age classification of those who have obtained the qualifications are further subdivided, to make improvements so that social phenomena related to the youth employment, which is the topic of today's society, could be identified. HRD Korea was recognized of these contributions to be awarded commendation from the Minister of Strategy and Finance for 'Statistics Contribution Commemorating the 22nd Statistics Day' in September 2016.

Furthermore, HRD Korea is continuously putting in efforts to improve customer satisfaction through the IT infrastructure, including enhancing the convenience of examinees through starting the mobile Q-Net service, and the introduction of mass connection control solution; and provision of qualification related information through the trend analysis of examinees, and establishment of various statistics specialized systems.



# 3. Support for Employment of Foreign Workers

## History and Outline

Foreigner Employment Support Business is implemented to supply workers smoothly and to seek for the balanced developments of national economy, by systematically introducing and managing foreign workers, in response to the continuous requests from the domestic industries. In particular, the government enacted the 「Act on the Employment, etc. of Foreign Workers」 in 2003, and introduced the Employment Permit System (EPS) in 2004, to resolve corruption in the process of sending and admitting workers, and illegal work, illegal stay, and human rights issues of the trainees after introduction, which occurred during the process of operating foreigner industrial trainee system that was implemented as part of the economic cooperation with Asian countries. With introduction of the EPS system, HRD Korea was commissioned the tasks such as composing and managing foreign job seeker list, supporting the arrival and departure of foreign workers, employment training, business agreements with sending countries, and agency business for the employers.

In 2004, HRD Korea completed overall preparations such as forming an organization for the smooth employment of foreigner employment support businesses, and dispatched staffs (currently, EPS Centers) to 4 countries—Philippines, Thailand, Vietnam, and Indonesia—to implement the tasks of admitting foreign workers. The HRD Korea stationed in the sending countries implemented supporting tasks related to sending foreign workers in connection with the HRD Korea headquarters, such as receiving applications from foreign workers for TOPIK and implementing the test, employment counseling, and preliminary education. Additionally, they organized joint team with the sending country governments in order to improve the system

to reduce the introduction period of foreign workers, as well as reorganizing EPS site ([www.eps.go.kr](http://www.eps.go.kr)), which is a foreigner employment management system, and strengthen systematic monitoring on the preparation status of sending countries, and implemented recruitment and selection of job seekers, preliminary education, departure support, and other local instruction and inspection activities during the whole process of dispatching workforce.

In the latter half of 2000s, as sending countries increased, more HRD staffs were dispatched to the sending countries, and foreign worker support centers in Korea also increased to support difficulties that foreign workers who entered into Korea were facing, focusing on foreign worker concentrated areas. Furthermore, employment sojourn support service business was initiated in full scale to support life in Korea, adapting to the job, preparing for return, and employment placement after return. The stages after preparing for return are holding local employment fairs such as Job Festivals in the sending countries, job placement, and vocational education, to head toward the direction of strengthening follow-up management services for the foreign workers. At the same time, foreigner employment support work procedure, which was operated in accordance with various laws and systems were drastically improved to obtain 'ISO 9001 Certification' in 2009.

In the early 2010s, the previous call centers exclusively for employers were restructured to be expanded, to newly open foreign worker counseling center (HUGKorea), where employers and foreign workers could all have counseling through phone or visit in person. Furthermore, in the 5 sending countries—Vietnam, Cambodia, Bangladesh, Nepal, and Uzbekistan—King Sejong Institutes in connection with HRD Korea were established to support resolving difficulties in Korean language when the workers in the countries concerned were employed in Korea. Through these efforts, HRD Korea was awarded 'the 1<sup>st</sup> Place Winner of United Nations Public Service Award in Preventing and Combating Corruption in the Public Service Category' on the UN Public Service Forum Day and Awards Ceremony.

After EPS–TOPIK managing organization was unified to HRD Korea in 2006, in order to efficiently implement it, the following major projects were carried out: Computer Based Test (CBT) was expanded; NCS-based textbooks were reorganized for the quality management; basic job related questions were added; and special King Sejong Institutes were expanded. The main purpose of expanding CBTs, which was implemented with much focus since 2011, is to strengthen the convenience of examinees, and increase the efficiency of the

system through the simplification of selection process. Additionally, computer rooms are provided to the sending countries to use for the education of workforce to be admitted.

From 2013, NCS-based Korean language standard textbooks have been published, and 5,900 new questions were developed to add questions on basic jobs to the test, to strengthen discrimination capacity of the test. At the same time, in order to secure workforce pool in a timely manner, EPS-TOPIK was expanded. As a result, the people taking the tests have increased from 166,082 in 2012 to 293,535 in 2016, which is an annual average of 15.3% increase rate. HRD Korea has also made various efforts as follows: to strengthen the base of sending countries, HRD Korea has cooperated with ABC Television, which is a national broadcasting company of Nepal, to broadcast EPS-TOPIK education program 3 times a week, and other measures to strengthen Korean language education base; and Korean instructor support projects to improve the quality of Korean language education to improve actual effectiveness of Korean language education.

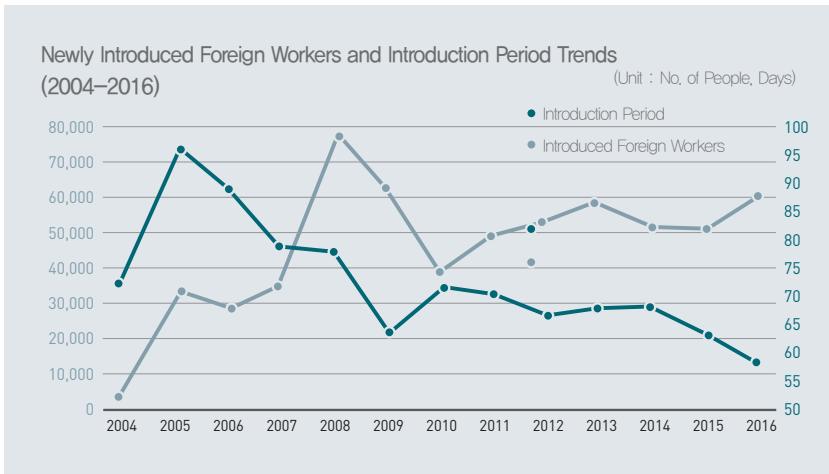
Trends of Test Applicants Related to the Employment of Foreign Workers (2012–2016)

(Unit : No. of People)

Classification	Total	2012	2013	2014	2015	2016
EPS-TOPIK	1,154,237	166,082	221,871	235,585	237,164	293,535
Special EPS-TOPIK for Re-entry	100,195	10,484	20,565	21,191	18,893	29,062
Skills Test	121,576	13,294	18,038	23,850	33,062	33,332
Point-based Selection System	60,185	-	-	-	10,310	49,875

The point-based selection system, which was introduced in 2015, is the system that fundamentally improves the foreign worker selection system by reflecting the demands of employers. The previous selection system was based on Korean language skills, and basic skills evaluation as the supplementary criteria, but the point system subdivides into detail, to EPS-TOPIK (100 points), Skills Test (100 points), and vocational ability (5 points), for the evaluation. Further, considering the special characteristics of minor industries

such as agriculture, livestock, and fisheries, score allocation to EPS–TOPIK is lowered to 90, and Skills Test is expanded to 110 points, to form into a style of strengthening on–site practicality. This system was first conducted as a pilot test in Myanmar in 2015, and expanded to Myanmar, Sri Lanka, Thailand, and Bangladesh in 2016 to be implemented to 49,875 applicants, and in 2019 will be implemented for all sending countries.



The foreign worker introduction process can be roughly divided into labor contract sending–signing period, and Certificate for Confirmation of Visa Issuance (CCVI) issue–entry period, and during this process, various organizations collaborate with each other, such as HRD Korea, agencies (Korea Federation of SMEs (KBIZ), Korea Labor Foundation (KLF), Nonghyup (Farmers Federation), National Federation of Fisheries Cooperatives and Construction Association of Korea (CAK)), and the Ministry of Justice (Immigration Offices). Since 2004 when the system was first implemented, the introduction period decreased on the average of 1.1 days per year to be reduced to 58 days in 2016 from 72 days in 2004. In particular, of the 14 days that was decreased, 8.8 days (62.8%) were decreased since 2012, and thus we can see that the strengthening of collaboration to reduce the introduction period is being implemented more efficiently since 2012. In 2016, HRD Korea received ‘Prime Minister’s Award for Excellent Organization for Supporting SMEs’, for reducing introduction period through making the introduction process

efficient, and for introducing 59,879 workers into domestic industrial site in a timely manner.

## Business Status and Major Accomplishments since 2012

Foreign worker sojourn support business includes monitoring during early days of entry, supporting to resolve difficulties at workplaces, foreigner employment management education for employers, and vocational training for the employed. Until 2012, monitoring during early days of entry was just confirming whether the workers adjusted well to the workplaces for only some workers, but starting from 2013, it was expanded to all the foreign workers who entered in that year to this day, to support workplace adjustments during the early days of entry for 57,010 workers. At the same time foreigner employment management education for employers was expanded from 2013, to be developed from early entry stages into the direction of supporting both employers and workers. Moreover, from 2010, based on the results of the survey for foreign workers, vocational training on preferred vocational competency (Operating Heavy Machinery, Motor Vehicles Maintenance, CO<sub>2</sub> Welding, etc.) for the employed was conducted to produce 24,166 workers who completed the training. Regarding the training, to raise the participation and attendance rate of the foreign workers, meal and transportation expenses are given, and for those who have completed the training, return job site (eps. hrdkorea.or.kr) is provided so that they can manage their careers and use it for future job placements in their home countries.

Meanwhile, for the minor industries such as agriculture, livestock and fisheries, it is very likely that the workers would be working in relatively poor environment, so HRD Korea provides standard labor contract exclusively for the agriculture, livestock and fisheries fields, and conducted regular visiting consultations for 1,413 workplaces in 2015, and 1,075 workplaces in 2016. Additionally, Customized Foreigner Employment Management Education for the Employers is being conducted from 2015, and in 2016, e-Learning system was established to expand participation from the employers.

In addition, there is sojourn support business through foreign worker counseling center (HUGKorea) and support centers for foreign workers. Foreign worker counseling center has implemented counseling through

telephone and visit in person for the employers and workers, and, since 2011, these centers have been implementing over 30,000 counseling annually. As of 2016, 372,387 cases of counseling were implemented. Support centers for foreign workers are composed of 31 small regional support centers for foreign workers and 8 major support centers for foreign workers mostly focusing on foreign worker concentrated areas, and with foreign workers as their main customers, over 300,000 cases of sojourn related overall counseling, including conflicts within the workplace, difficulties in daily lives, and disease/injury, are being implemented. Moreover, employment adjustment education (170,000 cases annually), such as Korean language, informatization, laws for daily lives and industrial safety, and free medical treatment (50,000 cases annually) are also being provided.

Sojourn support by HRD Korea, foreign worker counseling center (HUGKorea) and support centers for foreign workers are being strongly implemented, as the major purpose has been changed from foreigner employment support business to 'Coexistence of Employers-Foreign Workers'. As a result, employer satisfaction level of sojourn support was 78.9 points in 2014, 83.7 points in 2015, and 88.8 points in 2016, and total satisfaction level on supporting centers was also 89.4 points in 2014, 93.3 points in 2015, and 97.1 points in 2016. Illegal sojourn of those whose re-employment status has expired, has also steadily decreased. And in 2016, in which employers and foreign workers showed the highest satisfaction level, it was indicated as 13.4%, a 1.6%P decrease compared to that of the previous year.

Foreigner employment support business is targeting low-skilled foreign workers in order to minimize the impact on the domestic labor market, and at the same time not to affect the development of skilled workers in the domestic labor market. The major factor of maintaining the EPS system is to maintain cycling principle to prevent long-term sojourn and illegal sojourn of the foreign workers. In this context, many projects are being implemented for foreign worker return-home support business, including return-home education, employment & startup training, TOPIK level 3 acquisition course, placement to Korean companies in sending countries, and operating returning worker networks.

Voluntary return education is implemented through return briefing session and return guide. Return briefing session started in 2011 for 4,943 returning workers, and has been provided for total of 30,067 returning workers until 2016. In particular, in 2016, the participants were expanded (5,082), and for



347 returning workers, spreading successful cases of return, and in-depth counseling and consulting for after-return employment and startup were also provided.

The point of implementing startup and employment training was seen as after-return resettlement as the key to inducing the workers to return home voluntarily. Thus, in 2012 customized training by overseas Korean companies was provided, and in 2016, resettlement support education/training for the returning workers was provided to improve resettlement capabilities of foreign workers. The resettlement support education/training program for the returning workers, which was first implemented in 2016, was provided for 1,200 applicants on course with high preference from the foreigners, including TOPIK level 3 acquisition course, and employment and startup training program to strengthen capabilities for resettlement after return.

Job placement in the Korean companies in sending countries started to become very active in the 2010s, to hold meetings between the job seekers and job openings in the local area 55 times in 2015, and 37 times in 2016. Thus, from 2012, of the voluntary returning workers 11,079 applicants were offered employment in the local enterprises and Korean companies in the local area. In addition, in 2015, returning worker networks were expanded to all 15 sending countries to support regular meetings, information exchange of labor market, and exchange activities.

In 2014, the work of managing dormant insurance money of departure guarantee insurance and return cost insurance, which guarantees the retirement pay of foreign workers, was transferred to HRD Korea. Accordingly, HRD Korea implemented actively the project of finding dormant insurance money receivers to achieve 384% increased performances compared to that before being transferred to HRD Korea in 2014, and in 2016, recorded 86.4% in guarantee insurance money return rate to realize active administration. In the second half of 2016, dormant insurance money application mobile connected system was established to increase work efficiency and started to be implemented starting from 2017.

By operating these active return support system, HRD Korea CEO received Cambodia National Reconstruction Medal, Vietnam Commemorative Medal for Military Merit, and Sri Lanka Plaque of Appreciation by the Minister of Foreign Employment Promotion and Welfare in 2016.

## 4. Overseas Employment Support

### History and Outline

Overseas employment support business was first implemented in 1998, and have been actively implemented as a central business since then. Starting from holding job fairs and briefings at the beginning of the business, multilateral businesses were implemented, such as signing agreements with various levels of domestic and foreign organizations, establishing infrastructure for the overseas employment support, overseas employment support for specialized jobs, such as IT personnel, strengthening employment training system, and implementing a national agenda to develop global youth leaders, to facilitate overseas advancement of Korean industrial workers.

In the early 2000s, overseas employment counseling and job seeker registration work was expanded to all 23 affiliated organizations in each city and province, and cooperation networks with relevant organizations were built to strengthen overseas employment training. In addition, local employment briefings were continuously held in Japan, China, etc., and overseas internship business was conducted to support sojourn expenses for the unemployed, who were working as interns in countries such as USA, Japan, Australia, and UK.

In the mid-2000s, overseas employment training and dispatch of interns were expanded focusing on the youths, in response to the government's youth unemployment measures, which were implemented in response to the intensified youth unemployment. In addition, thorough preliminary education, such as diagnosis evaluation on the trainees and interns to improve the adjustment ability in the local areas, were implemented. Furthermore, overseas employment concentrated-support-target areas were expanded to cultural arts (China), international accountant experts and teachers (USA),

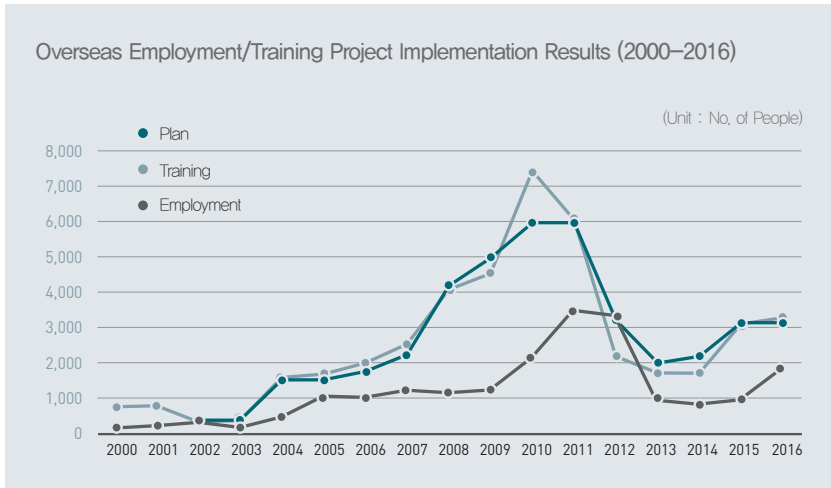
fashion design (Japan), Taekwondo Masters (Canada), IT, and business fields, while connection with international exchange cooperation business was strengthened to facilitate globalization of HRD Korea's businesses. Along with it, information channels related to overseas employment and internship, which were separately operated by different organizations, were integrated into the overseas employment site ([www.worldjob.or.kr](http://www.worldjob.or.kr)) of HRD Korea, and strengthened the accessibility by posting all sorts of information such as employment market information and laws related to employment, which were needed for overseas employment.

In the latter half of 2000s, according to the government's comprehensive plan to train 100,000 global youth leaders, efforts to successfully implement the plan were actively carried out, as the managing organization of the overseas employment in public field. Together with diplomatic offices and KOTRA, overseas employment consultative group was formed, while in the overseas training businesses that had a high success rate of employment, IT, auto design, and Chinese business expert course were added. Furthermore, HRD Korea has continuously implemented building a global leader integrated information network, expanding customized workforce supply business that would fulfil the overseas demands for workers, regularly holding overseas employment expo, and many improvements to reinforce the operation of training courses.

In the early 2010s, through the YTN's satellite broadcasting program, which is broadcast 24 hours all over the world, the project of promoting and introducing HRD Korea's overseas employment support business and the employment procedures of the Korean workers were implemented. Additionally, to develop private market, HRD Korea has constructed and used the networks with them to pioneer high quality overseas jobs, and focused on securing excellent job seeker pool that would fit the level of requirements by the overseas companies seeking workers, so that the actual employment rate can be increased.

From 2013, as Park Geun-hye administration launched, HRD Korea focused on implementing K-Move project as the national agenda. This was made up of job placement businesses composed of public-private collaboration for the overseas employment training & intern project and for the job matching, and provision of information through WorldJob+ for the youths who have passion and potential abilities, and the objective was to train talented individuals who have international perspectives. Furthermore, in order to expand global job territories, HRD Korea is collaborating with the global company Incruit, and

finding jobs in the traditional advanced countries such as Europe, USA, and Japan, as well as focusing on Vietnam, Singapore, and other countries, whose demands for international workers are expanding recently.



## Business Status and Major Accomplishments since 2012

In 2013, HRD Korea, Korea Association for ICT Promotion (KAIT), Korea Social Enterprise Promotion Agency (KoSEA), KOTRA, Presidential Committee on Young Generation, KOICA, and Korea Institute of Startup & Entrepreneurship Development (KISED), which had been implementing youth overseas employment support business in own ways, started working together centered on K-Move Center, to implement the national agenda of K-Move. K-Move Center has been given the charge of coordinating all related businesses in expanding overseas job territories for youth and network management for the follow-up management of the overseas employed youths, as the center of the groups incorporating the aforementioned organizations plus the Korean Associations all around the world, overseas Korean groups, students studying abroad, associations of overseas investment companies, HR organizations, and HRD Korea's EPS Center. In that year, K-Move Centers opened in Japan (Tokyo), Indonesia (Jakarta), and USA (Silicon Valley), and in 2014, they were additionally installed in Germany, UAE, China, and Vietnam.

In 2015, Seoul K-Move Center was newly established as the organization under HRD Korea, which would act as the hub to support overseas advancement, and is operating overseas employment briefings, academies for overseas employment, and employment halls. Also, it is continuously collaborating with Career Development Center for the Creative Economy and employment centers of the Ministry of Employment and Labor (MOEL). In 2016, overseas K-Move Centers were expanded to 15 centers, and is being operated in Japan, UAE, Canada, China, Australia, USA, Singapore, Indonesia, Germany, Vietnam, Brazil, and a few other countries.

The newly opened Seoul K-Move Center expanded overseas employment briefings to 120 times for 9,380 people in 2016, which had been held 25 times annually previously, and operates overseas employment academy (803 people) to provide in-depth information on overseas employment and related education, to act not only as the hub for relevant organizations, but also as the venue for providing information and education.

WorldJob+, which is a platform to provide integrated information, is also a major infrastructure expansion. Prior to 2015, information on overseas advancements were scattered to each ministry, but in 2015, WorldJob+ was created to concentrate all the information on overseas advancements. In the portal, information is provided on overseas employment, as well as internship, volunteer works, startup, and many more. Furthermore, Mobile App that contains all the functions of the site has been developed and distributed to raise accessibility. After the integration, average daily visits and members have increased fast to record 556,384 new members in 2016, which is 10 times increase compared to that of the previous year. Further, average daily number of visitors has reached 7,333, and accumulated number of members has exceeded 1 million.

Training for skills on overseas employment application, language skills, and culture for the overseas employment support is being implemented as commissioned type through selecting operating organizations. The training program is divided into short-term under 6 months, and long-time at 6 months or longer. Until early 2010s, there was more weight on the short-term programs. Reflecting that the long-term programs showed relatively higher achievements in quality management of training and employment rate, from 2016, the ratios of long-term programs have been increased. In 2015, total of 92 organizations conducted 184 courses for 3,145 people, and in 2016, 194 courses for 3,529 people were conducted.

In 2016, to strengthen overseas employment support research infrastructure, an overseas employment research center was selected to implement project of building specialized models that would fit the characteristics of each country. Korea University of Technology & Education (KOREATECH), which was selected as the research center, classified the major advancement countries into niche-targeting type, which includes the USA and Japan, challenging-job type, which includes Mexico, and new market pioneering type, which includes Saudi Arabia, Qatar, and Kuwait. According to this classification, foreign worker policies and visa systems, jobs that meet the demand, workforce demand surveys, and selecting promising jobs for employment, are studied for each country, and based on this, specialized models to advance into the countries concerned are being developed.

Until 2016, the focus of overseas employment support business by HRD Korea was strengthening transparency of the business (2013), providing information and strengthening collaboration (2014), and strengthening quality of training and job placement (2015), which were all being implemented individually. However, starting from 2016, in which individual projects reached a certain level, overseas employment support business has been managed and implemented comprehensively, by dividing into ‘interest and preparation stage’, ‘program participation stage’, ‘job seeking stage’, and ‘after employment stage’.

‘Interest and preparation stage’ is the stage of providing overseas employment briefings, briefings on employment strategy for each country, and information on employment, visa, and labor market. In 2016, overseas employment briefings at colleges (109 times, 8,374 people), employment strategy briefings for each country (11 times, 1,006 people), and overseas employment academies (85 times, 803 people) were held, and 20,000 copies of *Mastering Overseas Employment*, which is a total guidebook for each country, were distributed to colleges. An e-Book concerning overseas employment was also published. Furthermore, information expo was newly established for Japan, which was the prominent employment country of that year, to hold 11 seminars which included 17 counseling centers and 6 experience centers for 4,349 job seekers. K-Move Mentoring project is implemented during the ‘interest and preparation stage’. Mentoring project is operated so that the experiences and knowledges of mentors, who have succeeded in overseas employment and accumulated sufficient career, can be delivered to mentees. In 2016, mentor groups were formed for 55 countries and group mentoring was implemented 410 times, and online mentoring was also implemented 2,266 times to build a multilateral mentoring channels, which is being constantly expanded.



Number of Overseas Employed by Countries (2011–2016)

(Unit : No. of Youths, %)

Classification	Total	China	Japan	USA	UAE	Australia	Qatar	Canada	Others
2011	4,057	1,078	326	174	59	976	21	783	640
2012	4,007	472	323	197	65	1,137	107	944	762
2013	1,607	76	296	97	41	307	19	219	552
2014	1,679	138	338	118	50	175	12	79	769
2015	2,903	199	632	640	158	75	58	24	1,117
2016	4,811	218	1,103	1,031	323	353	42	56	1,685
Average Annual Increase Rate	3.5	-27.4	27.6	42.7	40.5	-18.4	14.9	-41.0	21.4

Number of Overseas Employed by Occupation (2011–2016)

(Unit : No. of Youths, %)

Classification	Total	IT	Healthcare	Machinery & Metal	Electrics & Electronics	Construction & Civil Engineering	Business Service	Others
2011	4,057	341	57	16	18	59	3,141	425
2012	4,007	210	48	33	9	48	3,350	309
2013	1,607	136	20	36	31	54	1,189	141
2014	1,679	216	11	41	33	69	1,210	99
2015	2,903	335	29	39	27	65	2,151	257
2016	4,811	644	78	118	16	72	3,453	430
Average Annual Increase Rate	3.5	13.6	6.5	49.1	-2.3	4.1	1.9	0.2

‘Program participation stage’ is the stage where K–Move School, Youth Overseas Advancement College, and overseas internship programs are implemented. The 3 major programs differ in the participants. First, K–Move School is implemented by selecting operating organizations for the unemployed college graduates and graduates–to–be who are under 34. Youth Overseas Advancement College is a course for the current students, by selecting the colleges to implement the project and operating for the freshmen to juniors of the college concerned. On the other hand, overseas internship program is for the talented people who can be employed overseas right away, to dispatch them to the advanced enterprises such as hidden champions of Germany including Siemens and Thyssenkrupp to receive vocational training

and the connect them to employment. Currently, K–Move Schools are being implemented with 3,529 people in 194 courses including 8 Youth Overseas Advancement Colleges. Internship program started with sending 7 interns to 6 enterprises in 2015, and in 2016, 17 interns were additionally dispatched to 11 enterprises. Furthermore, a long–term objective of overseas employment support project is to develop talented youths who have global perspective, and thus, a collaborative model has been created and operated so that youths can work and be trained at Sentosa Resort in Singapore, and then return home to be employed as the manager at the newly built resorts in Jeju Myths & History Theme Park.

In the ‘job seeking stage’, jobs in the public and private sectors are directly matched through the organizations that are equipped with global infrastructure such as domestic and overseas K–Move Centers and KOTRA. The expert staffs in charge of new markets such as Middle East, India, Africa, and Asia, and expert staffs in charge of advanced markets such as Japan, USA, Australia, New Zealand, and Singapore, will be assigned to the Seoul K–Move Center and HRD Korea headquarters. Further, with the focus on promising enterprises, resume coaching, and in–depth placement and consultations for the job seekers are being carried out focusing on 141 enterprises looking for workers.

In the ‘after employment stage’, formation of networks for the follow–up management with the purpose of supporting successful local adjustments of the employed youths, and support for overseas employment success encouragement funds to support living expenses are being carried out. Until 2014, local adjustments and follow–up management were carried out through the difficulty counseling, support related to living in the local area, and through the monitoring of the employed. In 2015, formation of local networks was newly added. Currently, 13 communities in 10 countries are being supported, and the connection activities with K–Move mentoring is being strengthened. Overseas employment success encouragement funds were first granted in 2012 to those who succeeded in overseas employment for the purpose of supporting funds for the settlement in the local area through HRD Korea. In the early stages of the business, it was granted only to the low income class based on the income distribution. However, the youths to receive the funds have been continuously expanded. The success encouragement funds increased to maximum of KRW 4 million per person for 2,776 people in 2016, which had been maximum of KRW 2 million per person for about 500 in the early 2010s.

As there were some concerns on neglecting the quality of overseas employment, the quality management of the project was strengthened, by setting the requirements of the minimum level of salary and the minimum period of employment for recognizing the employment to be qualified for the support. As a result, the number of overseas employed youths decreased drastically in the beginning of K-move project, but starting from 2015, it was converted to upward trend, and in 2016, the number of employed youths increased 3 times, compared to that of 2014, and the quality of employment also rose.

The project of developing the private job-matching market began in 2016 by commissioning overseas employment package business to the global recruiting companies using a turn key system. Using this method, global recruiting companies play a leading role in all stages from recruiting young job seekers to selection, training, finding the employers looking for workers through the connection with overseas corporations, and follow-up management of after-employment. Furthermore, it also has another purpose of making overseas employment package model through private job agencies which will lead the market and the private job agencies to cultivate overseas employment market by the private market in the future. Currently, HRD Korea is doing pilot operation in 2 companies to lead the market, so each business is operating its business with the goal of achieving 100 overseas employment annually, to find overseas employers who are seeking workers.

The selected global recruiting companies are Adecco Korea and Kelly Services. In the case of vocational education and training for the selected job seekers, Adecco Korea will focus on Linux Manager, Window Server Manager, JAVA Programming, Database Management System (DBMS), SQL, App Development, IT Infrastructure Library (ITIL), and IT Service, and Kelly Services will focus on Basic Trade Practice including Management and Contract, and Applied Trade Practice including Insurance, Incoterms 2010, Payment, Letter of Credit, Import & Export, and Duty Drawback. After that, both companies will place the young trainees to overseas employment.

The employers who are seeking workers through the connection with overseas corporations should hire regular workers with minimum salary of KRW 24 million, and the employers seeking workers will be notified on WorldJob+, so that those who desire overseas employment in the 'interest and preparation stage' can also check the information.

## 5. Skilled Crafts Encouragement Project

### History and Outline

Skilled crafts encouragement project began with the work related to skills competition from the establishment of HRD Korea in 1982. In order to create the climate of encouraging skills and promote technology, the organization of city & provincial committees of WorldSkills Korea, which would manage and support skills competitions, was rearranged. In 1982, the first year of establishment, HRD Korea held the regional skills competitions and national skills competition which also had the purpose of selecting the players to participate in WorldSkills Competitions. The projects to become the champion at WorldSkills Competitions were also actively implemented, to become the grand winner with 15 gold medals at the WorldSkills Competition in Linz, Austria in 1983.

In the latter half of 1980s, the government enacted 「Act on the Encouragement of Technical Skills」 to prepare a systematic tool to give preferential treatment for the skilled technicians, who had been the driving force for Korea's economic development, in a more systematical and concrete way. Hence, selection of Master Hands (now Korea's Master Hands) and Outstanding Technicians (now Outstanding Skilled Craftsmen), and support on the transfer of crafts and skills competitions were effectively and systematically implemented to revitalize skills encouragement project.

In the 1990s, in order to form a social climate for encouraging skills and giving preferential treatment to skilled technicians, HRD Korea actively implemented skills competitions, as well as carrying out project of selecting and supporting Master Hands (now Korea's Master Hands), Outstanding Instructors, Outstanding Enterprises for Technical Skills Encouragement (now Outstanding Enterprises for Skills Encouragement), and Korean Artisan (now Skills Crafts Masters).

Skills competition businesses were also revitalized, to continuously hold regional skills competitions and national skills competitions, while for the national skills competition, the overall champion system was newly established in 1992. In the case of WorldSkills Competition, in particular, Korea was the overall champion for 9 straight years until 1991, and in the 1990s, achieved excellent performances being ranked at either number 1 or number 2.

In the 2000s, along with the support businesses on skilled technicians including Master Hands (now Korea's Master Hands), Korean Artisan (now Skilled Crafts Masters), Outstanding Technicians of the SMEs (now Outstanding Skilled Craftsmen), and outstanding instructors, creating preferential trends where skilled technicians would be treated fairly, boosting morale for skilled technicians, and continuous implementation of skills competitions to promote development of technical skills contributed to the growth of national economy and development of skilled crafts. Regarding the outcomes of WorldSkills, Korea achieved the overall champion total of 19 times until 2015, since the first participation in 1967, to enhance national prestige and it confirmed Korea's level of skills in the world stage. In 2011, as the 「Act on the Encouragement of Technical Skills」 was revised to 「Act on the Encouragement of Skilled Crafts」, the name of the project was also changed from Technical Skills Encouragement Project to Skilled Crafts Encouragement Project, and the major projects were expanded.

Recently, HRD Korea is making various efforts to head toward competency-centered society. The Skilled Crafts Encouragement Project of HRD Korea is a project to encourage the citizens to acquire skilled crafts needed for the industry and facilitate the improvement of skilled crafts as well as raise the social awareness of skilled craftsmen, based on 「Act on the Encouragement of Skilled Crafts」, so that economic and social status of skilled craftsmen would be improved and industrial competitiveness would be raised. In this respect, this project is implementing a major role in heading toward competency-centered society.

## Business Status and Major Accomplishments since 2012

The unit projects for the Skilled Crafts Encouragement Project include the following: selecting and giving preferential treatment to Korea's Master Hands; selecting and supporting Skilled Crafts Masters; selecting and giving preferential treatment to Outstanding Skilled Craftsmen that set a good example for the encouragement of skilled crafts; discovering and

## Selection of Korea's Master Hands, etc. (-2016)

(Unit : No. of People, No.)

Classification	Total	-2010	2011	2012	2013	2014	2015	2016
Korea's Master Hands	616	496	24	27	23	17	18	11
Outstanding Skilled Craftsmen	271	-	22	49	50	50	50	50
Skills Crafts Masters	122	93	3	4	4	6	8	4
Example Enterprises for Skills Encouragement	64	59	-	1	1	1	1	1

giving preferential treatment to Korean Hand Masters; selecting and giving preferential treatment to Example Enterprises for Skills Encouragement; skills transferring project for pre-skilled craftsmen; operating skilled crafts experience camps; operating skilled craft mentoring; operating skills competitions; participating and holding WorldSkills Competition; supporting private skills competitions; and international cooperation activities related to skills competition businesses.

Additionally, HRD Korea opened a Global Institute for Transferring Skills (GIFTS) in Incheon for the globalization of Korea's vocational competency development policies and systems, and is developing pre-skilled craftsmen and expanding HRD exchanges with other countries.

In the skilled craft encouragement field, through the designation and support of outstanding skilled craftsmen and appointment of skilled craft promotion ambassadors, outstanding skilled craftsmen working in the industrial field were given preferential treatment and promoted, and the social awareness on them were raised.

In addition, HRD Korea improved various designation system for outstanding skilled craftsmen including Korea's Master Hands, reinforced Korean Industrial Site Professor support project and revitalized the activities, expanded point of contact with the demanders through strengthening the support on skills transfer and experience service, continuously put in multilateral efforts such as implementing fair and transparent judgment and evaluation system for the skills competitions, strengthened industrial competitive power through the encouragement of skilled crafts, and actively aimed for raising the status of skilled technicians.



## Status of Korean Industrial Site Professor support project (2012–2016)

(Unit : No. of People, No)

Classification		Total	2012	2013	2014	2015	2016
Selected No. of People		1,502	151	150	201	500	500
Operation Performances	Training Institutions	878	55	96	142	281	304
	Enterprises	3,242	100	199	283	1,250	1,410

The results of these efforts can be confirmed through major recent achievements. First, skilled craftsmen participating in the industrial site innovation facilitation increased from 56.8% in 2014 to 65% in 2015, and 71.7% in 2016, and the number of supporting organizations such as SMEs and schools also rose from 425 in 2014 to 1,531 in 2015 and 1,714 in 2016. Additionally, the citizens' awareness on skilled crafts increased as well from 62.4% in 2014 to 64.2% in 2015 and 67.3% in 2016.

In 2012, HRD Korea established the 1<sup>st</sup> Basic Plan for the Encouragement of Skilled Crafts and mid-to long-term development strategies of the skilled crafts encouragement, and set major implementation plans and agendas for the project. The major agendas of Skilled Crafts Encouragement Project are as follows: improving the outstanding skilled craftsman designation system and strengthening skills transferring function; implementing new projects and spreading the atmosphere of encouraging skilled crafts to the citizens; carrying out the restructuring of skills for the skills competitions; setting the operation of skills competitions with focus on the demanders; developing and expanding social roles of skilled craftsmen in the industrial site; and making efforts to actively transfer skills. To strengthen the designation and support of skilled craftsmen in the industrial site, HRD Korea revised the Rule on Designation and Preferential Treatment of Korea's Master Hands, to improve the system. Previously the designation was done every other year for 167 occupations in 24 fields. The system been changed so that designation is being done every year for the 96 occupations, in which some were integrated and some were removed, in 22 fields from 2012. Additionally, to strengthen fairness and transparency of evaluation, project briefings were held.

In designating Outstanding Skilled Craftsmen, the designation criteria and procedure were operated more strictly and fairly such as newly established

interview test, and evaluating the will to continuously work in the industrial site, which had been just designating with document reviews in the past. Due to these efforts, the improved matters on the Korea's Master Hands Designation System was selected as an outstanding project in the autonomous system improvement by the Anti-Corruption and Civil Rights Commission.

Furthermore, HRD Korea put in efforts to secure grants for continued employment for the outstanding skilled craftsmen, while actively making efforts to expand social roles of the outstanding skilled craftsmen. HRD Korea has also supported formation of 4 non-profit skilled craftsmen organizations including Korea's Master Hands Society, to enable skilled craftsmen to participate in the related policies directly and indirectly, while supporting the activities by the academies associated with colleges to prepare the base to be able to play a central role in the field concerned. The efforts to support transferring of skills using Outstanding Skilled Craftsmen were actively implemented, so that HRD consulting and various skilled crafts were transferred to the SMEs that lack education and training to strengthen their competitive power, while newly establishing the Korean Industrial Site Professor support group to newly implement consultation businesses for SMEs. Moreover, for the successful operation of skills competitions, the draft for the reorganization was prepared after going through research, public hearing, and consultative meetings. Thus, the competition was developed toward citizen-participating competition, including local residents, from the previous player-centered competition. HRD Korea also actively strengthened the support and expanded global roles for the award winners.

In 2013, HRD Korea established the project goal as raising social awareness for the skilled craftsmen, and implemented the followings: discovering new projects for skilled crafts; giving total support for the Korean Industrial Site Professors; and strengthening the support on encouragement of skilled crafts and career guidance. Regarding the enhancement of Korean Industrial Site Professor support project for the purpose of transferring preferential skills, the project system was converted into site-centered, such as opening the Global Institute for Transferring Skills (GIFTS), enlarging the pool of industrial site professors, establishing project system to support professors at site, and improving operating system to affiliated organizations centered. Furthermore, through operating programs to support pre-skilled craftsmen such as youths, children's skills experience camp with skilled technicians and Skill Journey of Industrial Site Experience for specialized high school students were operated.

Along with it, HRD Korea held ‘ASK (Astonishing Skilled Korea) Concert’ to create synergy through public–private collaboration and sharing, and introduced success cases of the top experts in fields, such as Korea’s Master Hands, through means such as reporting on annual featured article by the major press media. Further, through the collaboration with the Ministry of Education, vocational and career guidance educational program in connection with the free semester system was developed, and implemented multilateral activities such as supporting skilled craft experience camp activities for the 1,372 current students enrolled in free semester demonstration schools.

In 2014, gathering public opinions and feedback activities through the workshops and consultations on improving the system with the relevant organizations and the on–site visits by the head of the organizations for each unit project, such as skills transfer and encouragement project, and skills competition project were actively implemented to raise the social awareness of the skilled craftsmen, and for the continuous and successful implementation of designation and support of Outstanding Skilled Craftsmen.

In 2015, support for Outstanding Skilled Craftsmen and enhancement of transfers of skilled crafts, establishment of base to facilitate transfer education project, enhancement of global status of Korea as technological power, and raising social awareness of skilled crafts, were set up as the major project strategies, and implemented each unit project. Through these, HRD Korea implemented advancement measures to improve transparency in Outstanding Skilled Craftsmen designation system, expanded social participation by the skilled craftsmen, and created preferential atmosphere for the skilled craftsmen. Through these efforts, the number of skilled craftsmen submitting for the designation of Outstanding Skilled Craftsmen increased 10.4% compared to that of the previous year. In that year, HRD Korea, in commemoration of selecting ‘100 Korean Master Craftsmen of the Month’, actively strengthened promotion toward the citizens, to contribute to raising the public awareness on Korean Master Craftsman system and raising social awareness on the skilled craftsmen, in particular, to commemorate designation of the 100<sup>th</sup> Korean Master Craftsman, a job fair by enterprises which the Korean Master Craftsmen operated was held, to support employment of 52 workers.

In 2016, demands and interest in skills transfer, which is a Korean–type apprenticeship vocational education, and demands to use of the outstanding skilled craftsmen in the industrial site and career guidance for youths, were

gradually increasing, and in the midst of all these, HRD Korea continuously made efforts to give overall support for the customized skills transfer centered on demanders, implement measures to actively utilize outstanding skilled craftsmen, and to increase national benefits and strengthen capabilities in the international society through transferring skills competition system to the developing countries. In particular, in the skills transfer field, middle school students, who were pondering their future career in regard to conducting free semester system, were selected to explore promising enterprises and industrial sites nationwide, and through the meetings with outstanding skilled craftsmen in the industrial site, they were given the opportunities to explore their careers.

At the same time, skilled craft experience camps were operated within the Global Institute for Transferring Skills (GIFTS) for the middle school students, to introduce principles of the skilled crafts in 7 fields including machinery, and through the skilled craft on-site experience, HRD Korea aimed for forming the proper occupational views and changing the perception on skilled crafts. In addition, HRD Korea used outstanding skilled craftsmen, such as Korea's Master Hands and the winners from the WorldSkills Competitions, as the instructors for career guidance to provide information and vision on diverse vocational world to the youths. Along with it, HRD Korea supported training pre-skilled craftsmen and skills improvement using the outstanding skilled craftsmen such as Korea's Master Hands so that the workforce educated from the specialized high schools could adjust to the industrial site early, and selected Korean Industrial Site Professors, to give support so that outstanding skilled technicians and craftsmen would be able to act as core workforce for the nation, to prevent technological disconnection in the industrial site and enhance social awareness on skilled technicians and craftsmen.

The operational directions of skills competitions were also converted to site centered and demander centered. HRD Korea, with the goal of comprehensive champion in the 42<sup>nd</sup> WorldSkills Competition in Leipzig, Germany in 2013, had secured training time through early determination of national players, supported intensive training program by preparing exclusive training facilities, autonomous decision making and introduction of responsibility-based training method, and granted sense of purpose through advancement of consciousness process and character evaluation. Furthermore, lots of efforts were made to strengthen adjustment to the site, including conducting joint training to

improve the performance reflecting the characteristics of each skill, observing national team selection competitions of other countries, and conducting adjustment training. As a consequence, in the WorldSkills Competition held in Leipzig, Germany in July 2013, Korea was able to become the champion for 4 straight times.

Additionally, HRD Korea proposed ‘Multilateral Skills Transferring Incubator Project’, tentatively called Ms. Tip, to the WorldSkills International (WSI) during the 42nd General Assembly of WorldSkills International in 2012, and was adopted unanimously by over 60 member countries, and also proposed 4-step practical model for exchanges and cooperation in Northeast Asia led by Korea, to establish cooperative system among the 4 countries in Northeast Asia, which was a meaningful outcome for the international cooperation activities.

In order to operate citizen-participating skills competitions, regional skills competition system was improved as a Two Track system-competition and demonstration-to convert into the competition in which local residents can participate in it together, and by collaborating with the local governments of the cities and provinces hosting the national skills competition, it was expanded and developed into a joint event for all the local residents. In particular, skills competition is operated as a venue for festival in which all the general public can participate, to enhance understanding by the citizens on traditional skills and skilled crafts, to develop into an event from player-centered to a nationwide event.

In 2014, in order to revitalize skills competition and strengthen the roles in international society, HRD Korea implemented the following: expanded skills transfer and exchange in the international society; operated WorldSkills skills transfer program through collaboration with private entities; dispatched experts to the next country hosting WorldSkills Competition; and strengthened collaboration with private firms such as Samsung Electronics.

2015 was the year in which WorldSkills Competition was held, and by conducting systematic support to strengthen performances by Korea’s national team players, Korea achieved 5 straight comprehensive champions in the 43rd WorldSkills in Sao Paulo, Brazil, to contribute to the total of 19th comprehensive champion in the competition. The 19th comprehensive champion in the WorldSkills Competition contributed greatly to boosting the pride of skilled craftsmen and creating preferential climate for skilled craftsmen.

By open skills competition which aims to revitalize national skills competition, atmosphere of encouraging skilled crafts was created and through the hosting of skills competitions and supporting private skills competitions, HRD Korea produced numerous pre-skilled craftsmen. In addition, through the signing of skills encouragement agreements with various companies, efficiency and outcomes of operating the competition was maximized, and HRD Korea also implemented multilateral and active skilled craft encouragement activities, such as holding junior skills competitions.

The recent innovation in skills competitions can be confirmed from the results in various indicators. First, the result of integrity evaluation by the Anti-Corruption & Civil Rights Commission was 8.89 points, which was a record high, and in 2016, the cases of formal objections was 0 to prove that the competition was held as demander-centered in a fair and transparent manner. In order to implement the roles befitting the country with most wins in the WorldSkills Competitions, HRD Korea is transferring Korea's knowhow to many countries including Namibia.

In this respect, HRD Korea is strengthening global cooperation system recently. In order to share and transfer globally Korea's human resources development system, HRD Korea is actively implementing continuous exchanges and cooperation with major countries in the world and international organizations. HRD Korea is contributing to the globalization of Korean type human resources development system (K-HRD) such as transferring the experience and knowhow of Korea's human resources development, and making efforts to jointly develop with other countries in the world.

In 2016, not only bilateral exchanges and cooperation with Asian countries including China, Vietnam, and Thailand, and Middle Eastern countries including UAE, HRD Korea is strengthening multilateral cooperation with international organizations such as jointly hosting 'ASEAN+3 HRD Forum' with the World Bank. In 2016, HRD Korea transferred skills competition project to Namibia to support human resources development of developing countries, and cooperated with ILO/CINTERFOR for Costa Rica and Uruguay, to continuously expand networks between the countries and international organizations to build foundation to grow into a hub organization for support and cooperation of global human resources development.

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PART 3

Future Visions



## New Blueprint for Leaping into the Future

The theme of the 46<sup>th</sup> Annual Meeting of the World Economic Forum in January 2016 was Mastering the Fourth Industrial Revolution. Experts predict that the advent of the Fourth Industrial Revolution will bring about increased efficiency and productivity due to technological innovations, leading to reduced expenses. At the same time, there are also concerns that the advancement of technologies such as robots and AI will reduce the number of available jobs, severely impacting those in the middle and low income classes. According to the White Papers issued during the Forum period, Korea was ranked 25th in UBS's Rating of the Countries Most Capable of Adapting to the Fourth Industrial Revolution. This is very low compared to Japan, which was ranked 12th, and Taiwan, which was ranked 16th. Of particular note among the five evaluation indicators used for the rankings was the flexibility of labor structures, which Korea was ranked extremely poorly at 83<sup>rd</sup>.

From an economic perspective, it is clear that the delayed recovery of the world economy, and the fixation of domestic low growth have led to domestic and overseas difficulties. Furthermore, Korea's employment situation is worsening even more due to the massive influx of the unemployed as a result of troubles such as the recent shipbuilding industry crisis. The change in population structure is also suggested as a serious agenda. The working age population in Korea will be continuously decreasing starting from 2017, so the driving force of the economic recovery is declining even more. It seems that these low birth rate and aging population problem will cause more and more serious problems in the future.

With decline in working age population, Korea's labor market has many other problems. The dual structure of labor market is being intensified, and good jobs are not increasing, but Korean youths advancing into higher education is almost 70%. In this reality, Korean enterprises are continuously hiring less and less people due to worsening of business performances and increase in internal and external uncertainty following the economic recession. Thus, youth unemployment rate is accelerating even more.

This mismatch in employment market leads to mismatch in vocational competency. The enterprises are complaining that the workforce trained in schools or training institutions lack the on-site adaptability, requiring considerable re-investments on making up for these flows. Additionally, those who have entered the market for the first time find themselves unable

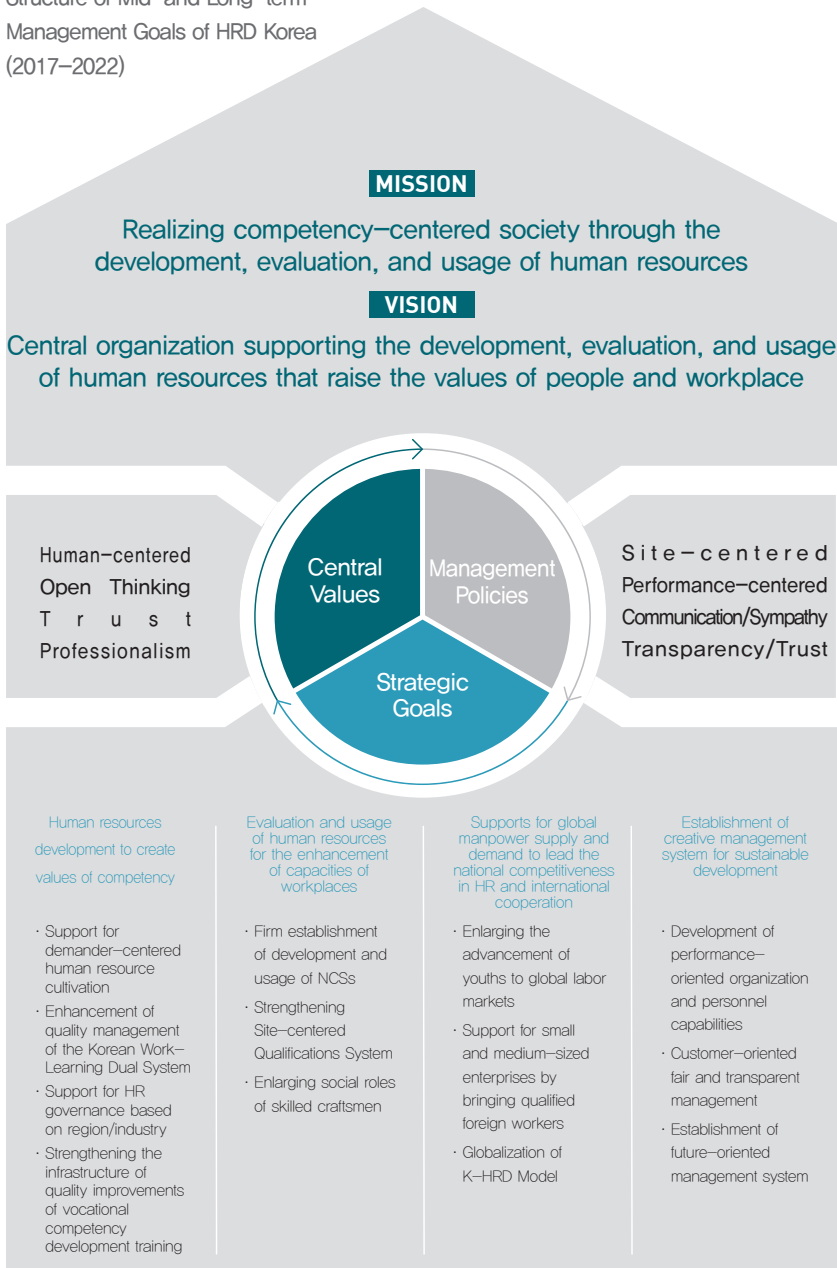
to adapt, and end up changing their jobs. According to the investigation on the actual employment conditions of new employees in enterprises by the Korea Employers Federation in June 2016, 27.7% of new employees who have graduated from colleges or universities leave their companies within 1 year. Furthermore, enterprises with less than 300 employees face resignation rate of 32.5% within 1 year, which is the reason why high potential enterprises and small and medium-sized enterprises (SMEs) cannot help being hesitant in making investments on human resources.

The current issues that Korea is facing, mostly focusing on employment and jobs, such as this dual structure of Korean labor market, mismatch between the demands and supplies of workforce, and advent of super-aged society, have already been discussed seriously in *OECD Economic Surveys Korea* released in May 2016.

Under the system of mid-to long-term management goals from 2017 to 2022, HRD Korea's mission was, 'realizing competency-centered society through the development, evaluation, and usage of human resources', and our vision was, 'Central organization supporting the development, evaluation, and usage of human resources that raise the values of people and workplace'. The 'development, evaluation, and usage of human resources', which is the central idea of HRD Korea's mission and vision, shows the diversity of HRD Korea's businesses. Competency development business is related to human resources development, competency evaluation business to human resources evaluation, and foreign workforce employment support and support for youths overseas employment are related to usage of human resources.

Korea Polytechnics, Korea University of Technology & Education (KOREATECH), Korea Employment Information Service (KEIS), Korea Research Institute for Vocational Education & Training (KRIVET), Korean Skills Quality Authority (KSQA), Korea Testing Institute of Technical Qualification, and other organizations have been transferred certain parts of HRD Korea's functions to be established, and today also, HRD Korea is implementing businesses in various fields not only in vocational competency development field, but in fields related to employment as well. As we welcome 35<sup>th</sup> anniversary of foundation, HRD Korea must think deeply on establishing our roles and identity as the hub organization in employment and human resources field.

Structure of Mid-and Long-term  
Management Goals of HRD Korea  
(2017-2022)



## Currently Facing Agendas of HRD Korea and Its Members

Despite the 35 years of history implementing various businesses and projects, 40% of the members of HRD Korea entered the organization since 2011. For the HRD Korea to be recognized and respected by partner organizations and the citizens by gathering the capabilities of all members, three agendas must be resolved at the organizational level.

First, from the perspective of implementing businesses, HRD Korea must establish ‘business performance system focused on the site and demanders’. The public institution that is not recognized by the citizens cannot but fall behind. Therefore, business system which is highly recognized by the citizens, who are the owners of HRD Korea, and the interested parties around HRD Korea, must be established. Second, from the perspective of operating an organization, ‘human resources management system based on competency and performance’ must be strengthened. Under the human resources management system based on competency and performance, organizational culture would become even more healthy. Further, by creating open organizational culture through communications, internal order of command and discipline could be made flexible to respond to the changes, and HRD Korea can grow up to become an organization seeking preemptive changes as the organization leading the changes. The capabilities of all the members must be gathered as much as possible by emphasizing open culture. Third is the establishment of constructive labor and management relationship. Labor and management should communicate and cooperate to establish a labor–management relationship, which is not zero–sum, but adds up to plus. Based on this constructive labor–management relationship, HRD Korea will be able to become a strong organization with happy members.

## Challenges to Improve Management Performances

For the efficiency and improvement of performances of the businesses, HRD Korea is faced with following challenges.

First, the supplier–based vocational competency development training support system must be diversified, and a system that allows enterprises and workers

to actively participate in and, ultimately, lead, must be established so that on-site demands can be reflected. HRD Korea must try hard so that agendas that are being enthusiastically driven by the government administration, such as the development, utilization, and spread of NCS, adoption of the Work-Learning Dual System, and the establishment of Region/Industry-Customized Manpower Training System would bear fruit on site. In particular, in order to strengthen quality management of education and training through active participation by the region and industries, for the successful establishment and expansion of roles by the RCs and ISCs, HRD Korea must persuade and support active participation by the interested parties, including enterprises, organized labor, and local governments.

Second, the support project for the vocational competency development training of employers takes up the largest portion of the budget of the government's support projects. There is a need to make continuous efforts by all the members of HRD Korea to revitalize this and renovate into demand-based. Furthermore, in addition to the existing businesses such as Consortium for HRD Ability Magnified Program (CHAMP) and Employment Stepping Stone Program, new cooperative training models for large enterprises and SMEs should be developed to bolster vocational competency development training support for the workers in SMEs.

Third, in successfully establishing course evaluation-type qualification system, which has enhanced on-site applicability of qualifications based on NCS, HRD Korea's role is important above anything else. Now, at a time when course evaluation-type qualification system is still in its beginning stages and in the process of being spread, the task at hand is minimizing any collisions between this new system and the pre-existing test type qualification system, which has been maintained for the past 40 years, while at the same time preserving the public trust of the government in the educational and training market.

Fourth, in order to convert from quantitative growth to qualitative advancement, systematic monitoring is needed. In order to revitalize vocational competency development training led by private sectors such as RCs and ISCs, the autonomy and authority for the private sector must be expanded, while operating strict monitoring and evaluation system. Inappropriate decision-making matters and operational issues must be clearly pointed out and take responsibility for them. It is essential for HRD Korea, which has on-site organizations, to establish organic cooperative system together with Korean Skills Quality Authority (KSQA), which mostly focuses on data analysis. Regarding quality management of vocational competency development

training, the operation directions should be adjusted to focusing on prevention rather than exposing corrupt and shoddy training as in the past.

Fifth, facilities, equipment, and content of education and training make up the most basic physical infrastructure, and the related businesses should be operated in the direction of making it possible to respond to the environmental changes such as advent of Fourth Industrial Revolution. The fields to be developed over the long term must be selected, and investments of related facilities and equipment must follow suit. Furthermore, if competency-based vocational competency development training is to be carried out, content corresponding to the training must be expanded, and various study content must be developed based on the developed NCS.

Sixth, it is necessary to strengthen research/analysis-related organizations and financial resources so that research and analysis on the overall policies related to vocational competency development training could be conducted actively. For the clear training demand analysis and performance analysis, the foundation for collection and utilization of materials related to vocational competency development training must be established. It is also necessary to strengthen collaboration with the organizations that implement research and analysis of vocational competency development training and those that manage statistical information.

Seventh, vocational competency development training must be implemented at a global labor market level. It is expected that necessity of youths advancing into global labor market will become even bigger, and thus a system that can systematically support the development of capabilities for the youths that can be acknowledged in the global labor market must be established. Rather than the current K-Move Project, support should be provided for the overseas entry of the youths from a mid- and long-term perspectives. Along with it, as there are many developing countries seeking to learn about Korea's economic development and acquire the skills, systematically supporting the entry of the middle-aged and senior citizens into overseas labor markets should also be considered. It is expected that Korea's reliance on foreign workers through the EPS will be even more intensified in the future, competency development of foreign workers who are already fairly skilled, must be fully supported.

Additionally, measures to expand the common use of qualifications among the countries in the global labor market must be sought out in terms of improving the entry of Korean workers into the global labor market and the utilization of foreign workers in the domestic labor market.

Finally, as the hub organization of the national human resources development,

the roles and responsibilities of HRD Korea must be earnestly considered under the cooperative system among the vocational competency development training organizations. The support and management on vocational competency development training of workers and enterprises are implemented in a decentralized form by the Employment Center of the Ministry of Employment and Labor (MOEL), HRD Korea, Korea Polytechnics, Korea University of Technology & Education (KOREATECH), Korea Employment Information Service (KEIS), Korea Research Institute for Vocational Education and Training, Korea Skills Quality Authority (KSQA), and Korea Testing Institute of Technical Qualification, but organic cooperation among the relevant organizations has yet to take place properly. By considering that the organizations other than Employment Centers were established as a spin-off by transferring parts of the HRD Korea's functions, HRD Korea must actively find and implement its roles as the hub organization.





## 35 Years of HRD Korea

Together with the Korean People toward the World

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