



Mapping and performance check of the supply side of tourism education and training

Country Report for Estonia

February 2016

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PURPOSE OF THE COUNTRY PROFILE

This document serves as the “country profile” for Estonia, within the study on “Mapping and performance check of the supply side of tourism education and training”. It provides a description and analysis of the educational “system” for tourism occupations in Estonia, based on evidence gathered from multiple sources (see the Annex).

More specifically, the profile provides the following:

- **Executive Summary**
- Overview of Estonia’s **tourism sector**, its strengths and weaknesses and the opportunities and threats it faces (section 1.1)
- Overview of the current situation and current/expected trends in **tourism employment and skills** (section 1.2)
- Description of Estonia’s **tourism education and training system**, highlighting key features of the national education and training system in general (section 2.1), before describing strategic arrangements for planning tourism education and training (section 2.2) and the role of employers, employees and other stakeholders (section 2.3).
- Summary of the **main forms of education and training provision** for tourism occupations, including higher education (section 3.1), vocational education and training (section 3.2), adult education and continuing professional development (section 3.3) and school education (section 3.4).
- Description of the **education and training available for specific tourism occupations** (section 4)
- Some findings on the **performance of the system** in terms of gaps in provision (section 5.1), addressing new skills and competences requirements (section 5.2), learning outcomes (section 5.3) and progression into/within employment in tourism occupations (section 5.4)

The breadth and diversity of the tourism sector, tourism occupations and education and training provision for those occupations mean that this profile can give no more than an overview. However, the country profiles of the 28 Member States have together provided the evidence for the analysis and research findings presented in the EU-level Final Report of the study.

EXECUTIVE SUMMARY

The Supply of Tourism Education & Training	
Country	ESTONIA
Context	
<p>Tourism is one of the key sectors for the Estonian economy contributing a substantial amount to the GDP annually (around 6-7% in recent years, indirectly)¹. The sector is experiencing significant change not only in Estonia but globally in its offering of tourist products as consumer behaviour and the nature of tourism has changed – the population is aging and expectations are growing for a tailored approach. Equally, transport connections have undergone a rapid increase and there have been significant technological developments, etc.</p> <p>Tallinn, the capital of Estonia, is the main destination for tourists and its significance is on the increase, while the rest of Estonia sees falling numbers of tourists. Outside the capital, Spa and wellness is the main target for visitors. Today, about 70% of all stays in Estonia are made by foreign visitors. A low level of internal tourism can mainly be explained by the low income of the population. The sector is very seasonal – summer is the peak time, especially July; in winter the occupancy level is less than 30% on average, with an average stay of two nights.</p>	
<p>STRENGTHS</p> <ul style="list-style-type: none"> • In general people are well educated • People have good language skills • IT literacy is high • Well-developed VET and higher education system • Good and contemporary schools infrastructure • Employers well involved in education planning 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • High volatility of low skilled labour force • Feedback from employers regarding formal education implementation is insufficient • VET image is not good and often considered as second or last choice for graduates of general education.
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Product and service management • Certificate requirement at certain positions to increase the quality • Make better use of different seasons – good opportunities in other seasons than summer • Make better use of IT literacy and opportunities the IT sector provides for tourism • Teachers' competences – good infrastructure and regulation enables modern teaching 	<p>THREATS</p> <ul style="list-style-type: none"> • The average nights spent might decrease even more • Continuing decrease in the number of Russian tourist because of the current economic and political situation in Russia • State-commissioned education and the level of education does not meet the actual market needs • Young people moving to work abroad rather than locally; qualification certificates are more valued elsewhere
Tourism employment and skills	

¹ <http://www.kutsekoda.ee/fw/contenthelper/10380790/10535610>

The Supply of Tourism Education & Training	
Country	ESTONIA
<p>The number of people involved in the tourism sector is closely related to the people involved in accommodation and catering, and the service sector in general. However, there are no statistics available on the level of people involved in the main subsectors of tourism or occupational groups.</p> <p>According to Statistics Estonia (http://www.stat.ee/) in 2012 a total of more than 20,000 people were employed directly in the tourism sector (in some 600 accommodation, 1,500 catering enterprises and over 300 travel agencies and agents), making the tourism sector the second largest employer. The largest employers in the accommodation sector are Hotell Olümpia, Sokotel (Hotell Viru), TLG Hotell (Tallink, Pirita TOP SPA Hotell); and in catering it is Premier Restaurants Eesti, Hesburger and Baltic Restaurants Estonia.</p> <p>60% of all people employed in the sector work in Tallinn and about a quarter of those employed in the tourism sector are working in the rural areas.</p> <p>The tourism sector is fairly volatile in terms of labour. According to the interviews conducted and information from different employment studies it can be outlined that there is a shortage of people for the managerial positions that require specific skills in finances, marketing, sales, etc. that are not an essential part of tourism education, and in fact are the subject of specialist positions. Also there is a gap in low qualified labour like cleaners, housekeepers, and other support staff that often does not require any qualifications.</p> <p>It is highlighted in a recent study that nearly 70% of companies in the accommodation and catering sector find that the Estonian VET system does not produce sufficient number of employees for their needs in general (this is not particular to the tourism sector). It is important to point out, though, that companies do not find gaps in the vocational specialities provided by the VET institutions, the main problem is that the VET system has a low reputation among young people and so does the tourism sector as such. As a result, the study shows that there is little competition in obtaining this type of qualification and people for the jobs have often low motivation or do not meet the needs of employers. In addition, tourism sector stakeholders have pointed out that people with better qualification often leave the country for higher salaries and/or more attractive tourism countries.</p> <p>The Estonian market and economy is small and therefore reserved professions or restrictions of acceptable qualifications related to different occupational positions would be a hindrance to the sector in general.</p>	
The tourism education and training system	
<p>In Estonia, the main providers of tourism education and training are vocational education and training institutions - to a lesser extent higher education facilities and adult education and lifelong learning institutions. There is little tourism related education in general education. The number of students starting their studies in the tourism related topics can be estimated to around 100-150 students in the higher education and about 12,500 in the VET system per year. The vast majority of those students are involved in accommodation and catering studies (around 50% of all).</p>	

The Supply of Tourism Education & Training	
Country	ESTONIA
<p>As tourism is an important economic sector in Estonia, education providers cooperate with employers in order to better address education to labour market needs. When designing curricula for different professions each school is responsible for inviting employers and sectoral bodies to participate in the process.</p> <p>Consultation with employers and stakeholders is considered to be good practice during the design of school curricula but it is by no means compulsory and interviews for this study have shown that it is an area that could be improved. Employers lack commitment and resources to be actively involved in education planning. Still, employers play an important role in developing occupational standards and are the main drivers in the process making sure the standard is relevant to employers' needs in terms of skills and competences. The input from employers regarding curriculum development is considered insufficient.</p> <p>Regretfully, Estonia is in a situation where occupational standards and an actual qualification prove of a little value. There is still an impression among employers that a person coming from the education system needs to be retrained to be able to do the job. As a consequence, training is sometimes valued higher than an actual educational background. Training gives an opportunity to dynamically adjust to the needs and requirements whereas changing the curricula and seeing actual results from the education system takes years.</p> <p>Internship is understandably of great importance to the sector. Although the situation has been improved, the internship offering is still one of the main concerns for all parties, especially for teachers and lecturers, but also at the national level, and it is considered a matter to be dealt with as a priority. Those teaching should have the appropriate professional and occupational background and experience, which should constantly be updated and improved so that the education provision is closely related to the market needs. One of the problem areas is that students doing their internship are often used to do irrelevant tasks that are not related to their studies or do not provide concrete experience that would be expected when one starts the actual job. This is not a tourism-specific, but a wider problem.</p> <p>There is sufficient provision of state-commissioned education but one of the problems outlined was the tendency among students not to start working in the profession where they obtained their degree or course or to move away to work abroad. One idea to reform the education provision in the tourism sector and to develop it is to build tourism specific study modules. What it means that the tourism, in essence, affects the broad range of different sectors (agriculture, sports etc.) and it may be better delivered as a part of different study programmes as an optional study module. Tourism on its own is a fairly specific topic and often more related to the service sector in general. Those optional modules can be studied by students with other educational backgrounds who consider continuing to work in the tourism sector. Positions in the tourism sector are changing with time as is the case, for example, for travel agents who are more and more replaced by IT – as many make their travel related decisions and purchases online.</p>	
Analysis of gaps in skill & competences	

The Supply of Tourism Education & Training	
Country	ESTONIA
<p>The sector in general does not face skill gaps in provision. Education provision and market needs are sufficiently aligned. With regard to the particular needs and future requirements in terms of skills and competences, the driving force is the private sector and its current trends, which are reflected in the summary above. The market can be said to be fairly constant in terms of needs and no major shifts can be foreseen at this point. Soft skills, such as communication skills, general IT literacy, knowledge of languages, are those most required by people working in the sector's frontline. In management positions, on the other hand, more analytical and problem solving skills are expected. In the latter, there is a lack of people with a background in finance, marketing or sales.</p> <p>Employers are actively communicating with educational institutions and vice versa as a result of which the adequacy, quality and relevance of the educational system for tourism specific occupations are appropriate and the needs of the sector are well covered. But, as mentioned above, the skill gaps are mainly found in the managerial positions that require specific skills in the field of finances, marketing, sales, etc. that are not an essential part of tourism education, and are in fact the subject of specialist positions. There is also a gap in low-qualified labour like cleaners, housekeepers, and other support staff that often does not require particular qualifications but for which on the job training is sufficient.</p> <p>These skill gaps are not so substantial as to require changes in the provision or training. At every level of education there is sufficient provision and the few potential problems are highlighted above.</p>	

1.0 TOURISM IN ESTONIA

1.1 The tourism sector in Estonia

Tourism is one of the key sectors for the Estonian economy contributing a substantial amount to the GDP annually (around 6-7% in recent years, indirectly).² The sector is experiencing significant change not just in Estonia but globally in its offering of tourist products as consumer behaviour and the nature of tourism has changed – the population is aging and expectations are growing for a tailored approach. Equally, transport connections have undergone a rapid increase and there have been significant technological developments, etc. This all results in ever more intense competition regionally as well as globally. Thus, the tourism offering has to adapt to new challenges and it requires creative and innovative approaches from all parties contributing to the sector's development – whether in government, private sector or education.

In 2013 the resolution on the new tourism development plan for 2014-2020 was passed by the Estonian Parliament, which sets as an objective to increase the tourism sector by approximately one third. The tourism export volume should grow from 1.2 billion euro in 2012 to 1.6 billion euro by 2020. The number of overnight stays by tourists should grow from 3.82 billion in 2012 to five billion overnight stays by 2020.³

So far, the inward tourism to Estonia has been fairly cyclic with the main influencing factor being the development of transport connection but also the local price level and any relevant events reaching the foreign media (e.g. Estonia joining the EU and similar).

Tallinn, the capital of Estonia, is still the main destination for tourists and its significance is on the increase, while the rest of Estonia sees falling numbers of tourists. Outside the capital, Spa and wellness is the main target for visitors. Today, about 70% of all stays in Estonia are made by foreign visitors. A low level of internal tourism can mainly be explained with the low income of the population.

The sector is very seasonal – summer is the peak time, especially July; in winter the occupancy level is less than 30% on average, with an average stay of two nights.

² <http://www.kutsekoda.ee/fwkc/contenthelper/10380790/10535610>

³ <https://www.riigiteataja.ee/akti/3191/1201/3015/lisa.pdf>

Table 1. Accommodation by region, December 2014. Statistics Estonia

Accommodation	Total	Northern Estonia	North-Eastern Estonia	Central Estonia	Western Estonia	Southern Estonia
Accommodation establishments	892	181	55	91	250	315
Rooms	18 670	8 145	1 283	1 247	4 040	3 955
Beds	41 995	17 818	2 706	3 005	9 052	9 414
Room occupancy rate, %	37	54	27	22	27	22
Bed occupancy rate, %	30	43	22	19	24	17
Tourists accommodated	218 066	135 619	10 197	10 520	31 937	29 793
Nights spent	388 878	234 920	18 705	17 534	67 229	50 490
residents of Estonia	140 979	41 060	12 680	13 489	35 475	38 275
foreign visitors	247 899	193 860	6 025	4 045	31 754	12 215
Average cost of a guest night, euros	35	39	36	28	27	26

Table 1.2 SWOT Analysis of tourism in Estonia

SWOT ANALYSIS	
STRENGTHS <ul style="list-style-type: none"> • In general people are well educated • People have good language skills • IT literacy is high • Well-developed VET and higher education system • Good and contemporary schools infrastructure • Employers well involved in education planning 	WEAKNESSES <ul style="list-style-type: none"> • High volatility of low skilled labour force • Feedback from employers regarding formal education implementation is insufficient • VET image is not good and often considered as second or last choice for graduates of general education.
OPPORTUNITIES <ul style="list-style-type: none"> • Product and service management • Certificate requirement at certain positions to increase the quality • Make better use of different seasons – good opportunities in other seasons than summer • Make better use of IT literacy and opportunities the IT sector provides for tourism • Teachers' competences – good infrastructure and regulation enables modern teaching 	THREATS <ul style="list-style-type: none"> • The average nights spent might decrease even more • Continuing decrease in the number of Russian tourist because of the current economic and political situation in Russia • State-commissioned education and the level of education does not meet the actual market needs • Young people moving to work abroad rather than locally; qualification certificates are more valued elsewhere

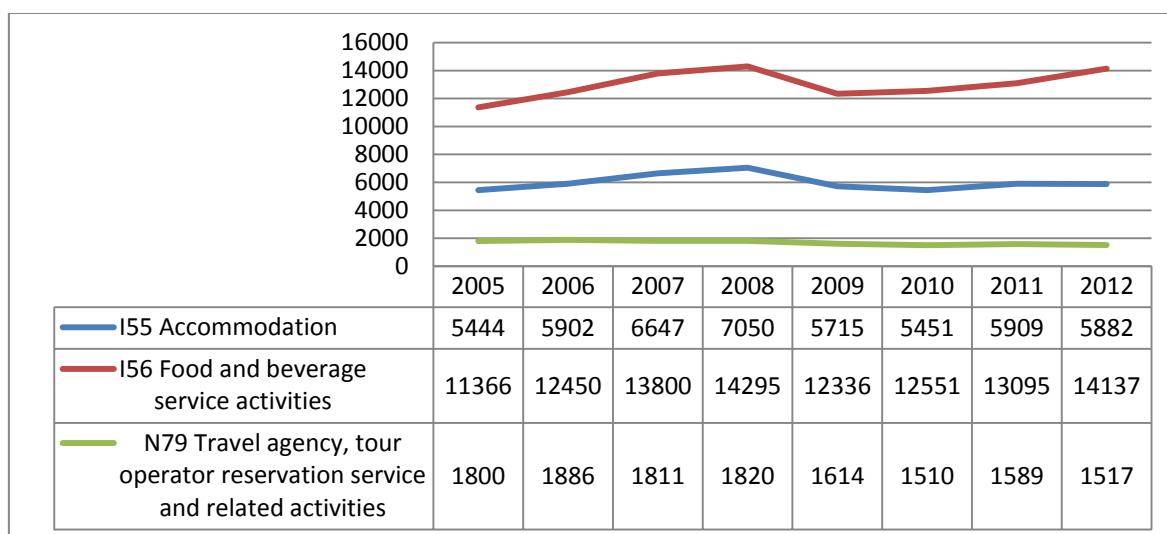
1.2 Tourism employment and skills

According to Statistics Estonia (<http://www.stat.ee/>) in 2012 a total of more than 20 thousand people were employed directly in the tourism sector (in some 600 accommodation, 1,500 catering enterprises and over 300 travel agencies and agents), making the tourism sector the second largest employer. The largest employers in the accommodation sector are Hotell Olümpia, Sokotel (Hotell Viru), TLG Hotell (Tallink, Pirita TOP SPA Hotell); and in catering it is Premier Restaurants Eesti, Hesburger and Baltic Restaurants Estonia. 60% of all people employed in the sector work in Tallinn and about a quarter of those employed in the tourism sector are working in the rural areas.

Table 3. Number of persons employed in 2012. Statistics Estonia

	Number of persons employed
I Accommodation and food service activities	20019
I55 Accommodation	5882
I551 Hotels and similar accommodation	5135
I552 Holiday and other short-stay accommodation	724
I553 Camping grounds, recreational vehicle parks and trailer parks	data confidential
I559 Other accommodation	data confidential
I56 Food and beverage service activities	14137
I561 Restaurants and mobile food service activities	11477
I562 Event catering and other food service activities	1811
I563 Beverage serving activities	849
N79 Travel agency, tour operator reservation service and related activities	1517
N791 Travel agency and tour operator activities	1290
N799 Other reservation service and related activities	228

The general trend has shown an increase in the employment level over the past years and in 2012 the pre-economic crisis level of 2008 was reached again. The majority of people are involved in food and beverage service activities, which accounts for 65% of total number of people in the sector.

Table 4. Number of persons employed by accommodation, catering and tourist enterprises. Statistics Estonia

Different studies researching the future structure and needs for tourism occupations forecasts no changes in the structure of professions in the sector. The accommodation and catering sector holds high rates of unemployment (more than 12%), which is due to the temporary nature of many positions in the sector. Also, personnel is typically young people, aged between 20-24, many of whom see the sector as a stepping stone for future careers.

If you compare the number of people employed and the number of possible graduates from the education system, it is very likely that a shortage of candidates will at some stage affect managerial positions in the accommodation and catering

Source: Eesti tööturg täna ja homme.

http://www.kutsekoda.ee/fw/fb/10528998/T%C3%B6%C3%B6turu_raamat_web.pdf, as well as unskilled labour positions such as cleaners, support and assistant staff.

A study of the Estonian private sector conducted in 2013 (Source: <http://www.praxis.ee/wp-content/uploads/2014/03/2013-Kutseharidus-ja-muutuv-tooturg.pdf>) highlights the fact that nearly 70% of companies in the accommodation and catering sector find that the Estonian VET system does not produce a sufficient number of employees for their needs in general (this is not particular to the tourism sector). It is important to point out, though, that companies do not find gaps in the vocational specialities provided by the VET institutions; the main problem is the low reputation of the VET system among young people and the similarly low reputation of the tourism sector as such. As a result, there is little competition in obtaining this type of qualification and the people who are trained often have low motivation and do not meet the needs of employers. On the other hand better qualified people often leave the country for higher salaries and or more attractive tourism countries.

2.0 THE TOURISM EDUCATION AND TRAINING SYSTEM

2.1 Overview of the national education and training system

Before embarking on a description of how tourism-specific education and training is organised in Estonia, it would be useful to put the findings in context. A short summary is therefore provided below highlighting the key characteristics of the national education and training system and the main challenges to skills provision.⁴

- Estonia outperforms the EU average for both the early school leaving rate and tertiary attainment rate (40.3% as against 34.6% in 2011).
- Foreign language skills are more developed than the EU average (61% against 43.5% of students reach B1 level or more at the end of lower secondary education).
- Participation of adults in lifelong learning increased by 5.5 percentage points over 2006-11 and is now slightly above the EU average (12.0% vs. 8.9% in 2011).
- The employment rate of graduates suffered from the recent economic crisis, but after reaching its lowest level at 64.3% in 2010, rebounded in 2011 (75.1%).
- Estonia's employment pattern up to 2020 is forecast to diverge markedly from the EU average in both high and low qualification jobs, with a modest increase in the former (5.6% vs 19.7%) and a large increase in the latter (17.5% vs -20.1%).
- Public spending on education as a share of GDP increased in recent years, also due to a strong GDP decline in 2008-09, and is now above the EU average (6.09% vs. 5.41% in 2011).
- Estonia is confronted with relatively significant skill mismatches, inter alia as a result of a structural shift from non-tradable to tradable sectors. There are also a high number of people without any professional education, since about 30% of Estonians aged 25-64 years have neither graduated from VET nor university.
- A comprehensive programme (2007-13) to boost the participation rate of adults in lifelong learning and achieve a better match between skills supply and demand in the labour market was launched by the Ministry with help from the ESF. 33,000 adult learners are expected to be trained, thus promote labour market mobility.
- To address the high drop-out rate from higher education, the TULE Programme was introduced in 2010. In VET, the high drop-out rates were addressed by the KUTSE Programme (2010-13). The aim was to steer at least 400 drop-outs or adults with lower qualifications to graduation. The 40 participating VET schools provide counselling, career guidance and recognition of prior experience and learning outcomes.

2.2 Planning of tourism education and training

The legal basis for the creation, functioning and development of the education system is provided by the Education Act of Republic of Estonia

⁴ Communication from the Commission 'Rethinking Education: Investing in skills for better socio-economic outcomes', Country Analysis for Commission Staff Working Document SWD(2012) 377 final, 20.11.2012.

(<https://www.riigiteataja.ee/akt/111072013005> (02.03.2015)). Requirements, called national standards of education, are determined for each level of education.

The main strategic basis for different development strategies and plans comes from the Lifelong Learning Strategy for 2020 (*Elukestva õppe strateegia 2020*) approved by the Government on February 13, 2014. (<http://www.hm.ee/index.php?popup=download&id=12568>, 02.03.2015).

This Strategy provides the basis for different development plans issued to implement the policies by the Ministry of Education and Research. All documents in the educational field are in turn connected through the development plan of Smart and Active People (Tark ja Tegus rahvas), (http://www.hm.ee/sites/default/files/tark_ja_tegus_rahvas_2015_2018_final.pdf 02.03.2015).

The Ministry of Education and Research is responsible for the planning of education, research, national policies and, in conjunction thereof, managing education types, organising research and development activities, youth work and compiling drafts of corresponding legal acts.

On the other hand, it is the Occupational Qualifications Act (http://www.kutsekoda.ee/fwkc/contenthelper/10445708/10445709_02.03.2015) that provides an integral system for awarding occupational qualifications and ensuring that it is functioning with a view to increase the competitiveness of Estonian employees and promote the development, assessment, recognition and comparison of their occupational competence.

Planning and forecasting the future skills and competence needs is closely linked to the occupational standards and profiles. These standards and profiles for different occupations are agreed between education providers and those benefiting, and are taken into consideration during curricula-development processes.

Curriculum development within vocational education is organised by Foundation Innove⁵. Foundation Innove evaluates curricula of institutions providing vocational education and provides consultation on the topic. It is also responsible for various image building activities in the vocational education field.

As tourism is an important economic sector in Estonia, education providers cooperate with employers in order to better address education to labour market needs. When designing curricula for different professions each school is responsible for inviting employers and sectoral bodies to participate in the process.

In the field of formal vocational education the Ministry of Education and Research annually compiles the state-commissioned education request (*riiklik koolitustellimus*) (according to the Vocational Educational Institutions Act <https://www.riigiteataja.ee/en/eli/517062014003/> 02.03.2015), which is regulated by the relevant directive. The aim of the state commissioned education request is to ensure that financed vacancies are available for students wishing to enrol in vocational training institutions. The state commissioned education request is compiled by factoring in the needs of the labour market, national strategic and subject-centric development plans, projections and studies pertaining to particular fields as well as the schools' capacities and students' individual preferences.

A similar approach in planning prevails for higher education, which is regulated by the Universities Act (<https://www.riigiteataja.ee/en/eli/512012015004/>, 02.03.2015).

⁵ Non-profit organisation established by the Government of Estonia to coordinate lifelong learning development activities and to implement relevant projects and the EU structural aid.

Higher education institutions and the Ministry of Education and Research sign the contract for state-commissioned education.

In order to assess the state-commissioned education request in both higher and vocational education both social and economic factors are considered, the main sources of which are the Labour demand and supply forecast by the Ministry of Economic Affairs and Communication (https://www.mkm.ee/sites/default/files/toojouvajaduse_ja_pakkumise_proгноos_aastani_2022_andmetabelid_labour_demand_and_supply_forecast_2022.xls, 04.03.2015) and the research carried out in Estonian Labour Market Today and Tomorrow by the Estonian Qualification Authority (<http://www.kutsekoda.ee/fwkwfb/10528998>, 02.03.2015).

In addition to the socio-economic factors the capabilities of the educational institutions to deliver for the commissioned education request are also considered, which is rated against the educational institutions application for student places and the provision of state-commissioned education. Furthermore, the annual state budget plays a key role in planning the state-commissioned education request.

2.3 Role of tourism employers and other stakeholders

The role of employers and stakeholders is relevant at different stages of education provision.

In general, the Estonian Qualifications Authority (*Kutsekoda*) is developing a support structure for the occupational qualifications system in order to increase the competitiveness of Estonian employees and promote the development, assessment, recognition and comparison of their occupational competence.

During the forecasting and strategic planning employers are actively involved in developing occupational standards either initiated by the state or by professional associations. Through their role in determining occupational needs employers directly and indirectly generate the educational need, which is the basis for the state-commissioned as well as privately-commissioned education.

Curricula are mainly developed by the schools, advised by councils and/or Foundation Innove for VET. Tourism employers, relevant associations and other relevant counterparts are also invited to support and advise curriculum development. Curricula are approved by the Ministry of Education and Research.

Internships are common practice and a form of cooperation between educational institutions and employers. Based on the vocational education and higher education standards all curricula for VET and professional higher education involve mandatory internship during the studies while obtaining qualification. This is also an excellent method for employers to offer feedback on the quality of education as well as the relevance and contemporaneity of the curricula. On the other hand students get a better understanding of the work opportunities regarding the occupation. It is also considered good practice that not only students are doing their internships but teachers are also invited to do placements at actual work places (travel agents, caterers etc.).

It is a general practice that qualification certificates are issued by the relevant associations or stakeholders (e.g. tour operators' certificates are issued by Estonian Travel & Tourism Association).

Kutsekoda (the Estonian Qualifications Authority) is responsible for keeping the state register of occupational qualifications, which contains information on sector skills councils, competence based occupational qualification standards, occupational

qualifications and their levels, occupational qualification certificates, the procedures for awarding occupational qualifications, and awarding bodies.

There are informal contacts at different levels of the sector. As the Estonian society is small and people in the sector know each other well communication takes place outside the formal channels – teachers and lecturers communicate with the private sector and associations on a frequent basis.

3.0 MAIN FORMS OF PROVISION

In Estonia the main providers of tourism education and training are vocational education and training institutions - to a lesser extent higher education institutions and adult education and lifelong learning institutions. There is little tourism related education in general education.

3.1 Higher education

Higher education in tourism can be obtained at Bachelor as well as Master's degree level. According to the data of 2011 there are a total of 8 institutions offering higher education in the field of tourism.⁶ There are 10 different bachelor level subjects in total and four master's level subjects available.

Higher education in the sector is closely related to business management. Courses and subjects available include

- accommodation and catering management,
- tourism and hotel management,
- business administration in the field of accommodation or conferences,
- international business management with an option to take tourism related study modules,
- recreation management,
- nature tourism, and
- tourism geography.

As managerial positions do not necessarily require tourism related education, there is no set route into the occupations or any standard qualification requirements. Graduates of tourism related education (e.g. hotel, reception, development, assistant manager, etc.) not only find positions in the private but also in the public sector.

It is difficult to determine a concrete number of students in tourism related higher education studies as many curricula groups are more or less directly related to the sector (e.g. therapy and rehabilitation studies generate students both for wellness and spa and health institutions). There is no publicly available information on how many students within different study groups actually take specifically tourism related courses. However, the table below gives an overview of the number of students in some of the study groups that provide tourism related subjects.

⁶ <http://www.ethl.ee/turismialane-kotildergharidus.html>

Table 5. Number of students in higher education study groups

Accepted or graduated	Form of education	Study group	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
Acceptance	Professional higher education	Accommodation and catering	116	105	95	88	74	77	84	72	57	69	44
Graduation	Professional higher education	Accommodation and catering	26	18	36	64	67	79	43	66	46	47	
Acceptance	Bachelor degree	Therapy and rehabilitation	36	34	73	22	54	60	68	57	72	59	31
Acceptance	Master's degree	Therapy and rehabilitation				13	39	34	28	33	21	31	41
Acceptance	Higher vocational education	Therapy and rehabilitation	38	66	35	59	49	76	56	71	73	61	57
Graduation	Bachelor degree	Therapy and rehabilitation	24	39	43	39	56	24	40	38	45	39	
Graduation	Master's degree	Therapy and rehabilitation				5	12	15	27	13	19	21	
Graduation	Higher vocational education	Therapy and rehabilitation	35	62	31	34	44	40	50	45	61	47	
Acceptance	Master's degree	Health	12	18	13	11	9	15	22	10	13	13	15
Acceptance	Higher vocational education	Health					15	18	35	36	42	33	30
Graduation	Master's degree	Health	6	10	15	16	10	4	9	9	13	9	
Graduation	Higher vocational education	Health						17	32	27	19	25	

There is no information on how many people actually continue to work in the sector. The perception of one of the interviewees is that around 80-90% of graduates find jobs and start working in the tourism sector at different managerial positions. According to a study of the Estonian labour market there is an increasing gap in the market for managerial positions not specifically requiring tourism education but other specific knowledge that tourism education providers do not offer, e.g. Financial Managers, Marketing and Sales Managers, etc. (Eesti tööturg täna ja homme. http://www.kutsekoda.ee/fw/fb/10528998/T%C3%B6%C3%B6turu_raamat_web.pdf).

The role of employers in this context is to contribute to study programmes by providing feedback on what to improve in the education provision. In addition to internship provision employers are often involved and cooperating with educational institutions in terms of product and service development.

One of their ideas has been to develop and promote more tourism related study modules rather than providing completely tourism-specific curricula. The market is small and it is often difficult to rationalise complete study groups on specific topics. To detail this, it would be in the interests of the tourism employers to get students with relevant educational background in tourism, but because of financial reasons, mainly, and the scarce demand, it would be difficult to form full study groups. For these reasons it is not possible to study specific occupations such as entertainment manager, customer experience manager, etc. in Estonia. It might be interesting to discuss whether studies, with the option of taking tourism modules, would be a

sensible approach to be implemented more widely and promoted at a national level considering the importance of the tourism sector for Estonia.

Quality assurance at the national level is in the hands of the Estonian Higher Education Quality Agency, which is responsible for the accreditation process and quality evaluation of higher education as well as the VET system. In addition, education institutions must have internal development plans, which describe planned activities, their quality assurance and assessment terms.

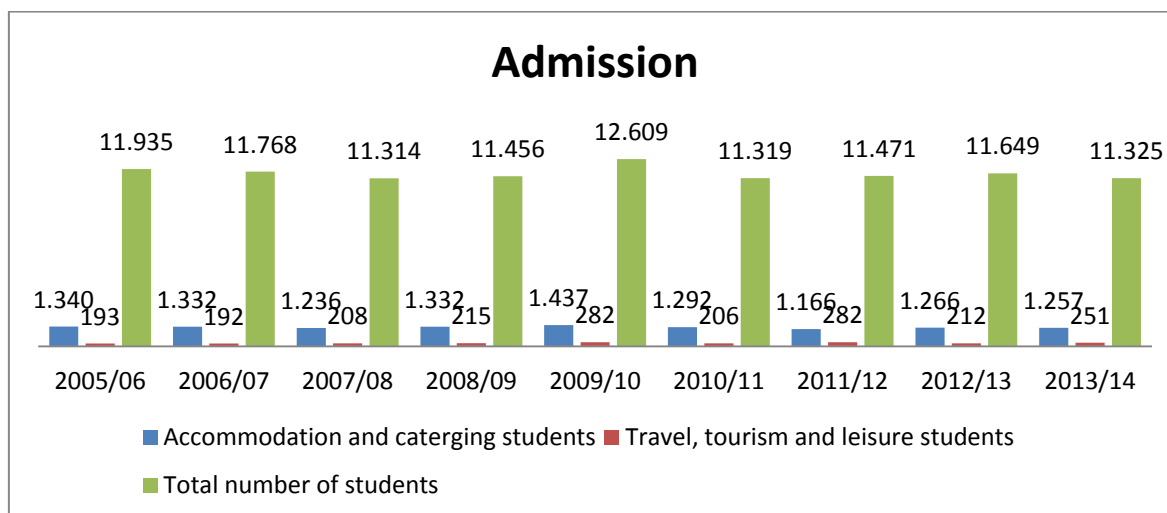
3.2 Vocational education and training

As tourism is an important economic sector many vocational schools provide tourism education training.

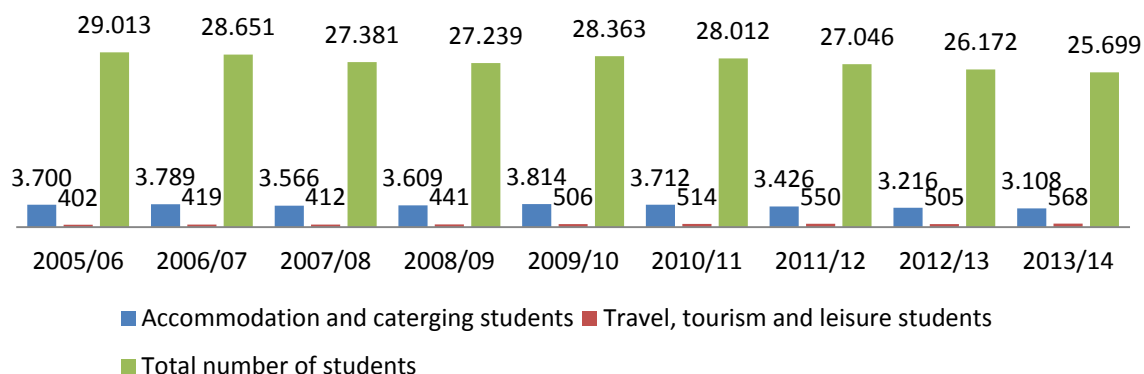
In 2013-14 there were 7 institutions of professional higher education and 41 vocational education institutions providing vocational education in total. Of those 41 institutions, a majority (29) are under the responsibility of the Ministry of Education and Research, three are organised at municipal level and 8 are managed by the private sector.

According to the Ministry of Education and Research there are 21 vocational education institutions in the field of tourism education, as well one professional higher education institution.

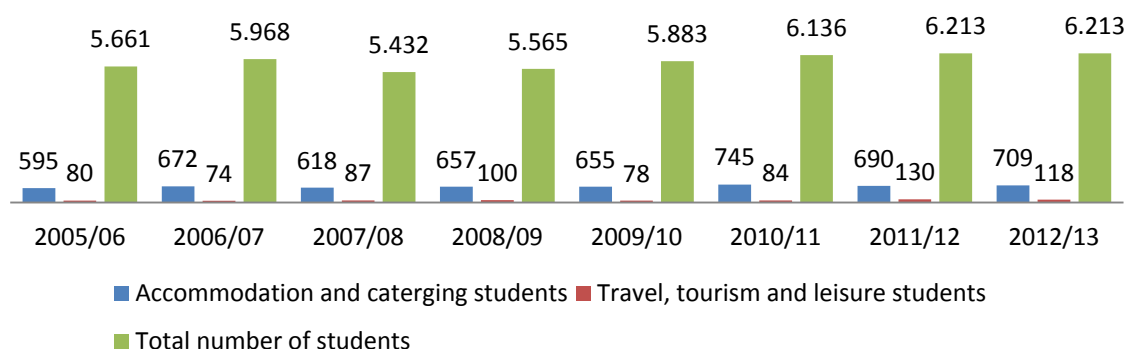
In total, there were 25,699 students in the broad vocational groups of study. Below are three charts showing the number of students in the two curricula groups 'accommodation and catering' and 'travel, tourism and leisure' in relation to admission, graduation and the number of students currently carrying out their studies. (Source: Eesti Hariduse Infosüsteem).



Number of students studying



Number of graduates



The basis for education institutions' curriculum design is the national curriculum and different occupational standards. The State curriculum for the tourism occupations sets out the relevant framework for the subjects and their content (see <https://www.riigiteataja.ee/akt/12921220>, 02.03.2015), which covers the following subjects:

- Tourism Management;
- Tour Operation Management;
- Recreation Management;
- Nature Tourism Management;
- Rural Tourism Entrepreneurship;
- Rural Tourism Service.

Consultation with employers and stakeholders is considered to be good practice⁷ during the design of school curricula but it is by no means compulsory and interviews for this study have shown that it is an area that could be improved. Employers play an important role in developing occupational standards and are the main drivers in the

⁷ For example Narva Kutseõppekeskus and a few others

process making sure the standard is relevant to employers' needs in terms of skills and competences.

As mentioned previously, it is compulsory that vocational education studies involve a period of internship in companies. However, both vocational education institutions and employers stress that the cooperation could be better from both sides. Companies expect vocational institutions to inform them of their plans and possible availability of students for placement and to talk to them more actively in order to help students find placement positions. On the other hand, educational institutions look for companies to be more courageous in contacting institutions to ask for students to do internships with them. It is also outlined by the stakeholders that companies should be better aware of the expected learning outcomes and competences of the student performing internship. It is often the case that the interns are performing tasks not relevant for their studies. Also, the internship of teachers in companies is considered a best practice and good way to link academic education better with labour market needs and expectations.

One of the problem areas is the quality of internships as students are performing tasks irrelevant to their studies and do not get the actual experience required for a smooth transition to the labour market.

The internship provision is a general concern also at the national level and is regarded as an issue that should be dealt with in order for internship to prove its purpose and be of higher value to both parties.

There are no valid statistics about students starting to work within their occupation. However it was indicated during the interviews that a large number of graduates go to work abroad as the occupations elsewhere are better paid. Another trend also emerged from the interviews: adults are entering the VET system to obtain different skills (i.e. cooking) with no intention to start working in the field. As a result, formal education is turned to informal education with no actual impact on the sector that the formal education vacancies were planned for.

The infrastructure of schools is considered to be very good and often better than the infrastructure of companies. However, there is room for development in terms of the approach to learning and teaching. One of the interviewees pointed out that schools and teachers tend to teach what and how they know and are used to but not what and how is needed.

It was also outlined that as the sector is rapidly changing and growing there is a need for faster and more flexible curriculum changing in some occupations. For example, tourism agent is still a profession that can be learned but in the real world the occupation is very much replaced by IT systems as many clients make their tourism related decisions and purchases online. However, the shortcomings of outdated curricula can be compensated with internships.

3.3 Adult education and continuing professional development

Institutions providing **adult education and training** include vocational schools, higher education institutions, sector associations and private companies. There is a wide range of training available on different subjects starting from catering services, tour guiding and finishing with accommodation and management, etc. A majority of the training courses have been financed via the ESF and the State, and often are not based on any specific needs but are more general in scope. However, detailed statistics on adult education and training in the tourism sector are unavailable.

Target groups for such training are very varied – from those that do not have formal tourism related education at all to get acquainted with the subject, to those that need

to refresh their knowledge, or want extensive electronic courses on the tourism economy for guides, servants, etc.

The role of employers is mainly indirect and the main source for requests for adult education and training is via employers' associations and stakeholders or schools to the Ministry of Education and Research, who then decide upon planning the adult training.

The main organiser for unemployed people of such training courses is Töötukassa (the Estonian Unemployment Insurance Fund). Töötukassa also organises onsite training and work-based learning with employers. Considering the substantial amount of funding from the ESF and the State to the training market, which has been free to people and companies this has resulted in education providers not contributing to the market but they are more concentrating on particular groups and depend on the needs of particular networks of people.

In some cases in-depth training is sometimes preferred over the formal education (higher or VET) as it is more dynamic and could be tailored specifically to employers' needs. Employers have often outlined this aspect in relation with basic competences or skills changing very rapidly. Tourism sector suffers huge lack of personnel during the season and employers are not willing to invest in improving the skills of temporary staff.

In terms of **other work-based learning**, employers consider it essential that more time and emphasis should be put on internship. Different interviews reflected that due to the fact that most of the people working in the sector are low-skilled people, work-based learning might be more relevant. As a strategic measure, the Lifelong Learning Strategy 2020 outlines the following: In order to guarantee the quality of work experiences during studies, a central development programme will be created that will offer methodological support, according to the needs of different economic sectors, to vocational education institutions, higher education institutions and employers. Accordingly, the necessary activities are outlined as follows:

- Raising the awareness of employers and educational institutions regarding the significance and organisation of work experience, and use best practices in internship organization. Regulations will contain an emphasis on internship mentoring, different types or models of internship will be promoted, including those specific to different specializations;
- The Ministry of Education and Research will lead the cooperation with other State institutions to develop leverage to increase the interest of business towards offering internships, taking into account the opportunities and limitations of businesses according to their field of activities and their size.

3.4 School education

There is no concrete information on tourism subjects at schools as there is no statistics centrally available on non-obligatory subjects. Still, higher education providers, as well as VET institutions have relations with school education with a view to introducing vocational or vocational higher education to students by organising special courses and workshops for students over the course of the year (for example <http://www.narva.ut.ee/et/projekti-tutvustus>).

4.0 ANALYSIS OF OCCUPATIONS

The Estonian market and economy is small and therefore reserved professions or restrictions of acceptable qualifications related to different occupational positions would be a hindrance to the sector in general. Mostly, people in tourism occupations are educated by the VET and to a slightly lesser extent by higher education institutions. According to interviews conducted for the current report and different studies, current learning outcomes are sufficient in the light of employer needs. There are no publicly available studies about the progression into employment but educational institutions carry out research among graduates and the perception is, if you take higher education as an example, that about 80-90% of students find a position in the sector in the occupation of their studies.

Considering the level of cooperation between education providers and employers the adequacy, quality and relevance of tourism education provision meet employers' needs. There are no real skill gaps in the sector because of insufficiency or lack of education provision but rather there are gaps in the customer facing and frontline positions because of high volatility at these occupations.

Specifics are outlined below.

4.1 Commercial manager

For managerial positions higher education is mostly expected, and not necessarily tourism related but rather related to the specifics of the positions – e.g. marketing manager with the educational background in marketing, communication manager with the education in communications, etc. A majority of these positions are regulated by different standards of higher education or vocational higher education. These types of studies are also the main types of education available for these occupations.

Today, the educational system generates sufficient number of people for these occupations. Learning outcomes in the light of employer needs are sufficient and relevant. Skill gaps are mostly related to tourism specifics but on the other hand people in those positions are not expected to obtain tourism related skills during studies but at the job. Therefore, there have been discussions to make tourism related study modules available so that the education system would provide better qualified people for specific positions. Today, for example even people who have obtained education for managerial positions are often expected to start at the front line positions in tourism to learn the specifics of the sector and any potential problems related to it.

Studies of tourism and employment have among others highlighted a future lack of people in general managerial positions (finance, marketing, sales and other managers). This is not a lack of provision but rather a lack of interest towards the sector as the value added and the productivity in this sector are lower.

4.2 Accommodation management

The occupations mentioned in this group do not have specific educational standards related to them but can be acquired via a range of different studies, among others those that are relevant to other occupations described in chapter 4. For example, the occupation of camping ground manager can be accessed via recreation studies, customer experience managers and entertainment managers can enter via marketing or communications studies at the higher education level, executive housekeepers could train as cleaning operations managers at the vocational higher education level,

etc. These positions are too specific to the market needs and there would be no rationale for education institutions to train specifically for those occupations.

4.3 Accommodation operatives

The main route into the occupations mentioned under accommodation operatives is achieved via vocational education. This includes a wide range of skillsets that are specified in the occupational standard for an accommodation specialist and in the required learning outcomes. These cover different occupations and different levels of specialism and relate to different levels in the educational system (either vocational or higher education)

(e.g.

<http://www.kutsekoda.ee/et/kutseregister/kutsestandardid/10414686/pdf/hotelliteeni%20duse-spetsialist-tase-5.5.et.pdf>).

In most cases after acquiring the professional education, on the job training and/or general training before starting the job is vital in this occupational group as the specific situation in every company, which the employee will need to be acquainted with, will be different.

As stated earlier, occupational standards are created by employers, employers' associations and other stakeholders. Therefore the required skillsets are in line with the current needs of employers and those that have acquired formal education require little extra training in order to be up-to-date with developments in the field (i.e. there are no constraints in terms of the technology used in the education institutions vs what companies really use). Thus, there are no skill caps that can be pointed out or shortages of trained staff due to this.

4.4 Meetings, incentives, conferences, and exhibitions management

In general, the occupations related to the area of meeting, incentive, conference and other management do not require any specific education or training for the occupation. Mainly, a general degree, or a degree in marketing and communications, are expected for these positions or otherwise relevant experience in the field.

Event management as a standard is covered under 'accommodation management' and therefore what is written above applies.

Today, there are institutions that have started to fill the gap by providing recreation management courses (e.g. Tartu Kutsehariduskeskus, Tallinna Ülikool), which is also covered in the 'accommodation management' standards.

There are no skill or competency gaps to be pointed out.

4.5 Destination management

There is no specific route into the destination management occupation, irrespective of whether the position is in the public or private sector. Therefore, different levels and types of education or training are applicable and relevant, including vocational studies, higher education, training courses and work-based training.

The standard covering this occupation is 'tourism management with specialisation in destination management'. Different associations in tourism destination management have been actively involved in creating the standard for tourism management and therefore employers' needs are fully addressed in terms of adequacy, quality and relevance of the education provision.

There are no skill or competency gaps to be pointed out.

4.6 Tour operators

Tour managers and related positions (representative, manager, product manager etc.) are covered by the professional standard of 'tour operator and travel consultant/agent', a qualification, which can be obtained as a result of vocational or higher education, undergoing relevant professional training or studying on the job. The occupation can be obtained at different levels depending on the nature of the education or training followed.

Learning outcomes meet the needs of employers and progression to employment can be considered easy.

There are no skill gaps to be outlined.

4.7 Travel agencies

Travel consultants and agents have a special professional standard. The occupation of travel consultant/agent is one of the most changing occupations in the field. The role as a traditional travel agent has changed to that of an e-agent. As such, new requirements regarding digital competences have been set for this position. The market is self-regulating and there is less need for travel agents as most of the travel agents job is automated and done online. No skill gaps can be outlined.

On the other hand it has opened opportunities for disabled people to do the job as it does not require working on the front line.

The courses to train for these occupations are mainly taught in vocational education schools.

4.8 Cultural, sports and recreational activities

Culture, sports and recreational activities are general in nature and are often not related to tourism education provision. Estonia is a small market and there are no possibilities to study tourism specific sports or culture (or vice versa) except for recreational studies. Students can do sports and culture studies but there is no inclination of those people to take tourism modules as there is simply no market need for such specialists. If positions are available then those with sports or cultural background are favoured by employers.

Customer experience managers and communications/promotions occupations are related to marketing and communication studies, which can be obtained at the higher education or vocational higher education level. Product managers also have a general background, a higher education is mainly expected with a sales orientation (business management education or similar). No occupational standards are related to those positions.

In this group only tourism guides are covered by a regulatory occupational standard. Tourist guide activities are managed by the Estonian Association of Tourist Guides which is also responsible for contributing to developing the national standard for tour guides. They have regulated how to be attested and how to obtain a tour guide license.

In order to work as a guide the candidate is required to have their professional competence certified. To prepare for acquiring the professional qualification for the

occupation, you can either obtain the knowledge on your own privately or by attending the professional training provided by different institutions (VET, non-profit institutions as well as private companies). The occupation cannot be obtained at the higher or vocational education level.

Statistics are available on the number of guides with relevant qualifications (154 guides in total - <http://www.visitestonia.com/en/qualified-guides>, 07.04.2015) but there is no information to assess the performance of the training system and skills provision for the occupation, other than the fact that tour guides need to re-certify their qualification after one or three years respectively, depending on the level of qualification.

There are no skill gaps to be outlined.

4.9 Education, research, journalism and consulting

Relevant professional standards for teachers are applicable. Tourism researchers often have a general background and the position does not require any special professional qualifications. Usually educational institutions, relevant research companies or experts carry out research in the field. Lecturers require a higher education.

There appears to be a sufficient number of candidates for these positions and no shortages or skill gaps can be outlined. The teaching quality is the internal responsibility of an educational institution. Institutions tend to ask for regular feedback from their students for performance assessment and quality assurance. Furthermore, teachers have the possibility to participate in training courses and do internships themselves to improve their quality. Often teachers and lecturers have private sector backgrounds and have relevant experience in the sector.

5.0 PERFORMANCE OF THE SYSTEM

5.1 Gaps in Provision

The sector in general does not face any skill gaps in provision. Education provision and market needs are sufficiently aligned. Still, an issue highlighted by one of the interviewees was the fact that students who have graduated occasionally do not continue to work in the occupation of their studies. This is not just a tourism related problem but a wider issue of the Estonian education system that needs to be addressed at a political level.

With regard to the particular needs and future requirements in terms of skills and competences, the driving force is the private sector and its current trends, which are reflected in chapter one. But the market can be said to be fairly constant in terms of needs and no major shifts can be foreseen at this point. Soft skills, such as communication skills, general IT literacy, knowledge of languages, are those most required by people working in the sector's frontline. In management positions, on the other hand, more analytical and problem solving skills are expected. In the latter, there is a lack of people with a background in finance, marketing or sales.

5.2 Addressing new skills and competences requirements

Employers are actively communicating with educational institutions and vice versa as a result of which the adequacy, quality and relevance of the educational system for tourism specific occupations are appropriate and the needs of the sector are well covered.

As mentioned above, the skill gaps are mainly found in the managerial positions that require specific skills in the field of finances, marketing, sales, etc. that are not an essential part of tourism education, and are in fact the subject of specialist positions. There is also a gap in low-qualified labour like cleaners, housekeepers, and other support staff that often does not require particular qualifications but for which on the job training is sufficient.

These skill gaps are not so substantial as to require changes in the provision or training. At every level of education there is sufficient provision and the few potential problems are highlighted above.

5.3 Learning outcomes

Vocational and higher education are the main providers for the sector. Every year the vocational education system generates a little more than 800 specialists for the market. For the last three years the higher education system has contributed with nearly 50 qualified employees annually.

Learning outcomes meet the employers' needs as there is good cooperation in terms of planning and carrying out internships with companies and consequently curricula at different institutions can be considered relevant. Teachers and lecturers often have a practical background that contribute to improved outcomes.

However, stakeholders and all interviewees stressed a potential problem with core competences (e.g. communication skills) as a possible obstacle to successful entry into a job. In addition, digital competences are a new area which is becoming more relevant to specific occupations (tour operator changed to e-agent) and they are becoming increasingly important. Problem-solving competences would in principle be

highly appreciated in every occupation but this is not considered feasible given the profile of people employed in the field.

Essentially, there are no gaps in the learning outcomes that hinder the sectoral development but rather there is a lack of qualified but non-tourism related people willing to work in the sector (marketing, sales, financial professions).

During the season approximately 3,000 additional staff are needed. This is mainly service personnel and often low-skilled individuals. Several interviewees indicated that it is evident from different analyses that the quality of service falls during the tourist season due to the temporary staff employed in the sector. Employers are often lacking interest in investing in improving these people's skills as they are only employed on a temporary basis.

Regarding service personnel, formal education is not considered relevant but improvement of core competences, especially communication skills, is considered essential.

In a sense, the market is self-regulatory, and where the state-commissioned education does not cover the needs, there is also privately-commissioned education and consequently there is no noteworthy shortfall or oversupply of certain occupations. Associations provide training courses for their members (companies) but these are of very specific nature – i.e. changes in the tax system or other regulations. As the sector is rather large with companies that are very different in size and nature (farms in rural tourism, huge spas and hotels etc.), there is no coherent approach that can be applied with regard to training arrangements.

5.4 Progression into/within employment

There is no in-depth research on the extent of progression into employment and the information available is based on the perception of interviewees. It is not considered difficult to find relevant occupation after having obtained a tourism qualification. People progress easily as both VET and higher education studies include a substantial degree of internship that makes progression easier.

There is no gap, or if present then unnoticeable, in practical or in theoretical terms between the education system and employment market. Those starting to work are well aware of modern approaches, technology, etc., and rather it can be said the education institutions are pioneers and innovators.

The interviewees pointed out that qualification certificates should be more valued by employers. Today, applying for a qualification certificate in addition to their diploma is not compulsory for the graduates. In the future, though, acquiring a qualification certificate is intended to be a mandatory part of and precondition for receiving a school or university diploma. Associations are strongly addressing the matter to make employers value qualification certificates more.

ANNEX A: SOURCES

Interviewees:

- Kai Tomasberg. Tourism Department, University of Tartu, Pärnu College
- Kristen Lahtein. Estonian Travel & Tourism Association.
- Piret Kallas. Estonian Tourism Board, Enterprise Estonia.
- Heli Müristaja. Tourism Department, University of Tartu, Pärnu College; Association of Estonian Tourism Education
- Raigo Triik. Estonian Hotel and Restaurant Association

