

Finland – funding is linked to quality

In Finland the funding system of VET providers takes into account the objectives and quality of VET. The financial system includes core funding of 70%, performance-based funding of 20% and effectiveness-based funding of 10% and additional strategy funding. The aim of performance-based funding and effectiveness-based funding ensures that education is of high quality.

The VET funding system rewards education providers for their outcomes, efficiency, and effectiveness of their activities. The focus of funding is on:

- ❖ completed units and qualifications,
- ❖ employment or placement in further studies after the education,
- ❖ feedback collected from students who aim to complete a vocational upper secondary qualification, a further vocational qualification or a specialist vocational qualification, or a part or parts of these qualifications, and
- ❖ feedback collected from workplaces that have trained students with an apprentice or training agreement.

The amount of time spent on education is not relevant from the point of view of the funding structure. The funding is granted directly to the VET providers, who decide on the use and allocation of the financing.

Quality management systems of VET providers and the national guidance and monitoring of the quality of VET are key tools for management.

More information is available from the National Reference Point.