



GUIDELINES FOR THE ESTABLISHMENT OF TECHNICAL SCHOOLS'(TSS&VTC) PRODUCTION UNITS AND COMPANIES.

October 2024

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FOREWORD



This production unit and Technical school (TSS&VTC) company guidelines have been developed by Rwanda TVET Board (RTB) to support the growth and the implementation of production unit and in-school business companies in Rwanda. The production unit and Technical school (TSS&VTC) company guidelines contain a summary of the Technical school policy, information on production unit, situational analysis, the current challenges Technical schools are facing and the guidelines of TVET production unit implementation in Technical schools. This document has been developed upon the realization that the production unit and school's company are to form a basis for practical training since the main objective is to give the students technical and hands on skills together with entrepreneurial spirit for self-reliance.

School production units and Technical school companies would provide linkages to contexts and resources not covered in the curriculum; target and solve identified community/school challenges through creative research and skill infusions; increase students' confidence, customer relationship, collaborative skills and problem-solving abilities when challenged.

The Government of Rwanda consider TVET as one of the priorities for job creation and youth employment. Therefore, a considerable budget is being invested in terms of construction of more TVET infrastructure, supply of training equipment, supply of training consumables, training of more teachers, running and operational costs to make TVET successful.

Establishment and operation of production unit and or school company in Technical schools is expected to provide on-the-job training to students and also provide commercial activities to sustain the day-to-day running costs of the school. Students will become more engaged with training while also thinking about transition to the labor market and preparing for the next steps in their lives. Students who have acquired productive are equipped to seize and create opportunities and participate fully in the socio-economic development of the country.

With the help of these guidelines, technical and vocational education and training schools can establish production unit and or company integral and essential part of the training. The school production unit and or company can address the needs of the school while also paying special attention to the core mandate of offering technical and vocational education and training.

The success of these guidelines implementation requires a strong coordination mechanism for its impact optimization and to allow schools and stakeholders share their experiences, generate new ideas towards financial resilience of Technical schools and economic transformation of the country in general.

This document provides guidelines on establishment of production unit or company in Technical schools which requires involvement of school management, parents' committee, teachers, students and the community as key actors in the implementation. While ensuring an effective implementation of these guidelines, we call upon all concerned institutions for their full involvement and support.

 Digitally signed
by RTB(Director
General)

Dipl. - Ing. Paul UMUKUNZI

The Director General/Rwanda TVET Board

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LIST OF ACRONYMS

CBA: Competence-Based Assessment

CBT: Competence-Based Training

e.g.: *exempli gratia*/ for example

ECD: Early Childhood Development

ECDC: Early Childhood development centers

FBO: faith-based organization

FRW: Rwandan francs

GoR: Government of Rwanda

i.e.: *id est* / that is

IDP: Integrated Development Programme

IGA: Income generating activity

IPRC: Integrated Polytechnic Regional College

MINECOFIN: Ministry of Finance and Economic Planning

MVM: Moto vehicle mechanics

NGO: non-governmental organization

NST 1: National Strategy for Transformation

OAG: Office of the Auditor General

RDB: Rwanda Development Board

REB: Rwanda Basic Education Board

RTB: Rwanda TVET Board

SGA: School General Assembly

TBS: To Be Specified

TVET: Technical and vocation education and training

GLOSSARY

In these guidelines, the following terms will have their specific connotations:

Education: Is defined as an act or process of imparting or acquiring general knowledge, developing the powers of reasoning and judgment, and generally of preparing oneself or others intellectually for mature life. It is also referred to the act or process of imparting or acquiring particular knowledge or skills, for a profession.

Entrepreneurship: refers to the process of creating a new enterprise and bearing any of its risks, with the view of making a profit. A person who creates a new enterprise and embraces every challenge for its development and operation is known as an entrepreneur.

Entrepreneurship education: Has been defined as a collection of formalized teachings that informs, trains, and educates anyone interested in participating in socio-economic development through a project to promote entrepreneurship awareness, business creation, or small business development.

Production unit: This is the entire engagement of educational institutions in some collective productive activities.

Production: simply refers to the actual output of goods by trainees in any given production unit.

Technical school: comprises all fields of initial and continuing Technical and Vocational Education and Training.

Vocational training: is a system that aims at providing recipients with the necessary knowledge and skills to exercise a profession in order to be integrated into the labour market. Vocational training includes initial Vocational Training and continuing Vocational Training.

Technical Education: is a structured system aimed at providing recipients with the necessary knowledge and skills to continue their studies at the tertiary education level or to exercise a profession in order to be integrated into the labour market. Technical Education, on the other hand, puts more emphasis on theoretical education.

Continuing TVET: refers to training activities in which people take part in order to obtain knowledge and/or learn new skills for a current or a future job, to increase earnings, and to improve carrier opportunities in a current or another field.

A product: A tangible item that is put on the market for acquisition, attention, or consumption. Products are sold to the public or customers.

A service: Is an intangible item, which arises from the output of one or more individuals. Often, a service can also be performed at a distance.

A company: A type of business structure that is a separate legal entity from its owners. It's a complex business structure, with higher set-up and administrative costs because of extra reporting requirements and higher-level legal obligations.

Section 1. INTRODUCTION

1.1 Background of income generation in Technical schools

Technical and Vocational Education and Training (TVET) has been highly accepted as a form of education with the ability to inculcate work-ready knowledge, skills, and attitude. Technical schools represent high-level research-based professional business establishments catering to the development of small and medium-scale enterprises (SMEs), providing professional and technical support in product development and improvement as well as providing a platform for efficient partnership with technologically intensive industries.

Engagement in income-generating activities is a way in which Technical schools can contribute to their funding needs. However, the potential income varies significantly from one school to another depending on, among other things, the range of training programs offered (i.e., the type of products and services that can be sold), whether the school is located in an urban or in a rural area (economic potential of the environment), and the school's production capacity (available infrastructure, equipment, tools, and material resources). Empirical data on cost-recovery rates through income generating activities also varies substantially, with the rate ranging between 10 and 30 percent. Often, training centers run by non-governmental organizations (NGOs) and faith-based organizations (FBOs) demonstrate remarkable success in subsidizing training through commercial activities. Some have managed to reach almost full-cost recovery of training activities through a commercially-oriented training approach. In these cases, Income Generating Activities (IGAs) include the running of commercial workshops (production units) side-by-side with training activities, where trainees actively participate in these income generating activities, through the learn-by-doing principle.

Improved facilities are more than just increased levels of funding; attention should be given to addressing issues such as how resources are collected, managed and utilised, and more needs to be done to identify cost recovery strategies and what can be done to raise revenue levels in a sustainable manner.

Exposure to the local market provides hands-on working experiences to students and allows them to keep their skills up to date. In particular, it encourages the management of Institutions to develop tailor-made training programs that deepen the relationship with the private sector.

Typical income generating examples activities include:

- Manufacturing and production services offered to both public and private schools.
- Sale of products produced by students during the training.
- “Training with Production” – practical training as contract work (e.g.: construction work, building maintenance, furniture production, sewing of school uniforms, typing services, etc.) or service centre (for example a coffee shop and restaurant).

- Letting and lending out of buildings, equipment, and machinery.
- Delivery of special/tailor-made training programmes for various target groups, such as employees of a company, on a contract basis.
- Special events, such as open days, fundraising activities, dancing evenings, entrainments, etc.

1.2 Rationale

The Rwandan National Strategy for Transformation (NST 1) presents a target of creating 1.5 Million new jobs by 2024 while the Mandate of Rwanda TVET Board (RTB) is to promote quality education in technical and vocation education and training from level one (1) to five (5) aimed at fast tracking socio-economic development of the country. RTB through Technical schools will play a vital role by delivering relevant technical skills to youth and women for quick employment and own-job creation. The efforts to obtain qualified and competitive human resources need to be supported by a national education and training system developed based on the needs of the job market and the dynamics of the accelerated changes occurred in the business and the industrial world.

In additional to that, the NST 1 shows a target of reaching 60% enrolment of 9 years basic education graduates into TVET programs by 2024. To achieve this, a considerable budget is needed for heavy investments in terms of construction of more TVET infrastructure, supply of training equipment, supply of training consumables, training of more teachers, industrial attachment, running and operational costs, etc.

Production units are income generating activities, which operating alongside the Technical schools to which they are attached, and have a competitive advantage of offering quality products and services at affordable prices. Production Unit activities in Technical schools are linked and aligned to Economic Sector Priorities¹ and potential activities leading to decent job employment ecosystem.

Though TVET is considered as one of the government priorities for youth employment and poverty reduction, there are some challenges related to budget constraints that are hampering quality TVET delivery. The Government cannot remain the only source of fund for this noble cause. Technical schools being technical can generate income to partially contribute to their funding through their production units and companies. However, there are several limitations like company registration process, tender process, and many other constraints that need to be addressed to enable them to generate significant income. This guide provides guidelines on the establishment of a production unit or company in Technical schools which requires the involvement of school management, parents' committee, teachers, students, and the community as key actors in the implementation.

¹ *Economic Sector Priorities: Construction & Building Services, ICT & Multimedia, Agriculture & Food processing, Manufacturing and Mining, Energy, Hospitality & Tourism, Technical Services, Transport and Logistics, Crafts and Recreational Arts*

1.3 Policies and Strategies linked to Income generating activities within Technical school

- **7 Years government program: National Strategy for Transformation (NST1)**

These guidelines were developed in line with the macroeconomic framework for NST1 requiring an average GDP growth of 9.1% over the NST1 period for the country to remain on its path of economic transformation. This will require considerable efforts in boosting private and public investment financed by domestic savings and capital inflows; massive improvements in education sector through the provision of employable skills; achieving significant increases in land efficiency and innovative capacity, and sustained efforts to boost production of tradable goods and services. In light of this, and the previous negative perception of TVET education, the Government of Rwanda has undertaken significant steps to strengthen TVET. In line with this, TVET is capacitated to emerge as one of the most effective human resource development strategies that Rwanda has embraced to train and modernize the technical workforce for national development.

- **National skills development and employment promotion strategy 2019 - 2024**

These guidelines were developed in line with NSDEPS stating that the proposed interventions under the “Market led Education Initiative” will be targeted at both TVET and Higher Education levels. For ease of implementation and to allocate responsibilities to the relevant institutions, these have been included in separate strategic interventions. However, at the overarching level, there are activities that apply to both TVET and Higher Education specifically with regard to the involvement of the private sector in the governance structure and the establishment of business and innovation centers. This is the case for activity 1.2.1.2 NSDEPS on revamping “Sector Skills Councils” (SSC).

- **Education sector strategic plan 2018/19 to 2023/24**

These guidelines are also in line with the **education sector strategic plan 2018/19 to 2023/24** stating that the promotion of income-generating activities in TVET and higher education, as well as community participation at all levels of education, are another means of raising additional funds for education.

- **TVET POLICY: Sustainable Innovative financing mechanisms in TVET**

These guidelines are in line with TVET Policy stating that TVET needs to react flexibly to ever-changing demands in the labour market, through the development of new training programmes, applying new training technologies and providing opportunities for employees to engage in continuous professional development, and life-long learning. This makes TVET an expensive form of education which triggers a discussion on whether the current (basically) unilateral financing through the Government is sustainable and other types of financing should be considered.

Production units in Technical schools are beyond just laboratory or workshop, it is an established avenue to ensure the constant practice of theories learnt in the classroom through meaningful engagement of students in real life encounters amidst customers and masters of the skills. School production unit refers to a portion or part of the school where school facilities such as workshops, training materials, agriculture land, etc.. and human inputs are combined for the production of goods, items, or provision of services.

It is an industrial sector of the learning institutions where students work under the supervision of qualified instructors to make/maintain household goods/products and other allied technical services. In Rwanda, TVET is fully accepted and funded by the government aside from pockets of donor agencies. The National Education Policy encourages the establishment of school production units across skill areas in TVET institutions to have income generation projects to contribute to their budgets, within the limits of each institution's capacity.

These guidelines were also developed in line with article No.6 of the presidential order n° 123/01 of 15/10/2020 establishing the Rwanda Technical and Vocational Education and Training Board, which describes the responsibilities of RTB to advise the Government on all activities which can fast track technical and vocation education and training development in Rwanda. This is also in line with Article 23 which shows where RTB property comes from and no 3 is "income from services rendered"

1.4 Purpose of the guidelines

The poor production units and Technical school companies' performance over the years has shown a mismatch with the expectations of the public, and this situation has brought attention to the Ministry of Education/Rwanda TVET Board. Therefore, the Ministry of Education/Rwanda TVET Board took this concern seriously and developed the production unit and Technical school company implementation guidelines. The purpose of this document is to provide guidelines on the management and implementation of production units and or Technical school companies in basic Technical schools in Rwanda. The ultimate objective is to come up with strategies for establishing and managing production units and Technical school companies and creating a vibrant community of practice.

In order to address the existing budget gaps in Technical schools, it is good to set up internal revenue generation mechanisms, using available resources and expertise to support the budget from the central government. It is in this perspective that Rwanda TVET Board has developed guidelines for the establishment of Schools' production units and Technical schools' companies to enable them to execute some public works.

These guidelines will describe:

- Background on income-generating activities in Technical schools,

- Current challenges hindering the success of these production units
- Proposed structure for production unit and school company
- Justification and benefits to be gained by establishing production units and companies.
- Key sectors of specialization concerned by the guidelines.
- Registration of Technical Schools' Companies

1.5 Situation analysis /Current situation

The establishment of production units as well as school companies owned totally by Technical schools is a good platform that can easily do business daily for income generation to complement government budget allocation.

Nowadays TVET system is facing a constant change due to technology which hinder Technical school's production unit and company to integrate the labor market considering the growing gap between what is produced by Technical schools and what is needed by the labor market and companies. The following table describes the SWOT analysis in this area:

Table 1: SWOT Analysis:

Strengths	Weaknesses
<ul style="list-style-type: none"> - Having enough infrastructure and workshops - Having modern equipment and materials - The qualified and experienced staff - Diversification of skills in different sectors/ areas - Students prototypes that are marketable - Production out of trainees' practical - Skills and experienced Human resources 	<ul style="list-style-type: none"> - Lack of enough consumables for practices - Lack of entrepreneurial Mind-set of school managers - Limited managerial and leadership skills of school managers - Lack of complementarity within departments - Lack of harmonization among school management members to deal with product development, research, consultancy and innovation. - Absence of guidelines in regard to production unit and Company establishment.
Opportunities	Threats
<ul style="list-style-type: none"> - Government tenders - Investment ecosystem in Rwanda - Partnership with companies and high learning institutions - Existing of marketing platforms - Employed and self-employed Alumni 	<ul style="list-style-type: none"> - Limited financial resources - Strong competitors on the ground - Lack of equipment for mass production - Price fluctuation on the international market - High taxes even on business start-ups like the mature businesses

<ul style="list-style-type: none"> - Strategic location of schools - Existing national policies and strategies - Technology transfer which simplifies most of the entrepreneurship activities such as production, sale and marketing 	
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Even though Technical schools' production units have a wide variety of specializations and competences, there are sectors that have comparative advantages over others. These are;

1. Construction & Building Services,
2. ICT & Multimedia,
3. Agriculture & Food processing,
4. Manufacturing and Mining,
5. Energy,
6. Hospitality & Tourism,
7. Technical Services,
8. Transport and Logistics,
9. Crafts and Recreational Arts

More so, there is the possibility of increasing schools' internally generated revenue through functional school production units and school companies, through product development and/or other technical services such as consultancy services, manufacturing, and installation of solar water heaters, hotel services, domestic and Industrial electrical services, software development, etc...

The benefits of school production units in Technical schools are enormous, making it a fundamental requirement that should not be neglected. The level of attention given to the establishment of these income-generating ventures would ultimately reflect in the quality of graduates turned out in society and would eventually minimize to the barest minimum the need to retrain TVET graduates by employers. To overcome the challenges hindering the establishment of school production units and school companies, there must be a working document spelling out the implementation as well as the modalities for revenue disbursement. The next section highlights the management of the production unit in Technical schools describing the managerial organs and their corresponding responsibilities.

Section 2. GUIDELINES FOR TECHNICAL SCHOOL PRODUCTION UNIT

2.1 Establishment and management of Technical school production unit

2.1.1 The Concept of Production Unit in Technical school

The establishment and operation of the production unit and companies in Technical schools are expected to provide on-the-job training for students and provide commercial activities to sustain the day-to-day running of the school. Accordingly, a production unit and or a company is set up for the production and sales of products while ensuring students' acquisition of sufficient knowledge, practical skills, and attitudes of production in line with their area of specialization and certifying a student's level of readiness to face the world of work before graduation. A production unit and or company also serves for the profiting and sustenance of hosting schools.

The main objective for school production unit is to contribute to the school training budget for quality TVET and job creation. Through the school production unit, students acquire direct working experience in the industry, inculcate entrepreneurial spirit, creativity, and innovations in offering on-the-job training, etc.

Specific objectives for the establishment of the production unit are:

- ✓ Promote technical hand-on skills for students
- ✓ Contribute to school training budget

2.1.2 Establishment of Production Unit

Starting a school production unit does not require additional investments. The available resources namely teachers, students, and workshops are sufficient for setting up a production unit. The school production unit is more or less similar to normal artisan workshops found in the most popular residential areas that offer services in different occupations (such as auto-mechanic garages, carpentry and welding workshops, beauty saloons, tailoring shops, etc.). A production unit operates alongside the Technical schools to which they are attached and has a competitive advantage of offering quality products and services at affordable prices.

Having established a production unit, managers must make the planning and implementation guides that guide supervision or monitoring for managers, students, and guidance for service users or customers.

2.1.3 Management of Technical School Production Unit

2.1.3.1. Managerial Functions for Technical School Production Unit

At the most fundamental level, the management of a Technical school production unit consists of a set of four general functions: planning, organizing, implementing, and supervising.

Understanding the functions will help the school to focus efforts on principal activities of providing quality and relevant training while generating income.

- Planning includes business environment analysis, product overview, competition analysis, pricing strategy, description of competitive advantage of a Technical school production unit, description of market segmentation method used, location description, description of a promotion plan, management and personnel identification, unpredictable risk, and identification of raw material suppliers.
- Organizing includes organizational structure and job description.
- Execution includes excellent service, setting production unit operation, arrangement of production personnel, supervision of costs, arrangement of production personnel, production layout, production support equipment, and marketing management.
- Supervision includes supervision of costs, quality, the timing of production, personal supervision, and filing of claims.

The figure below summarizes the four functions of the management of the production unit

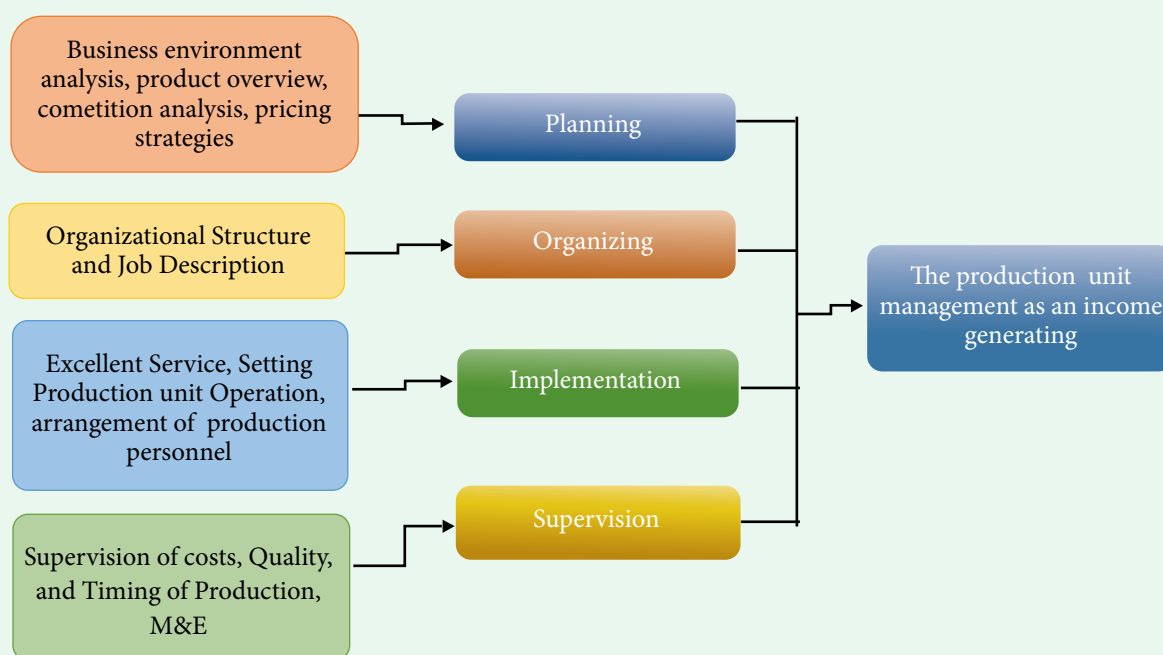
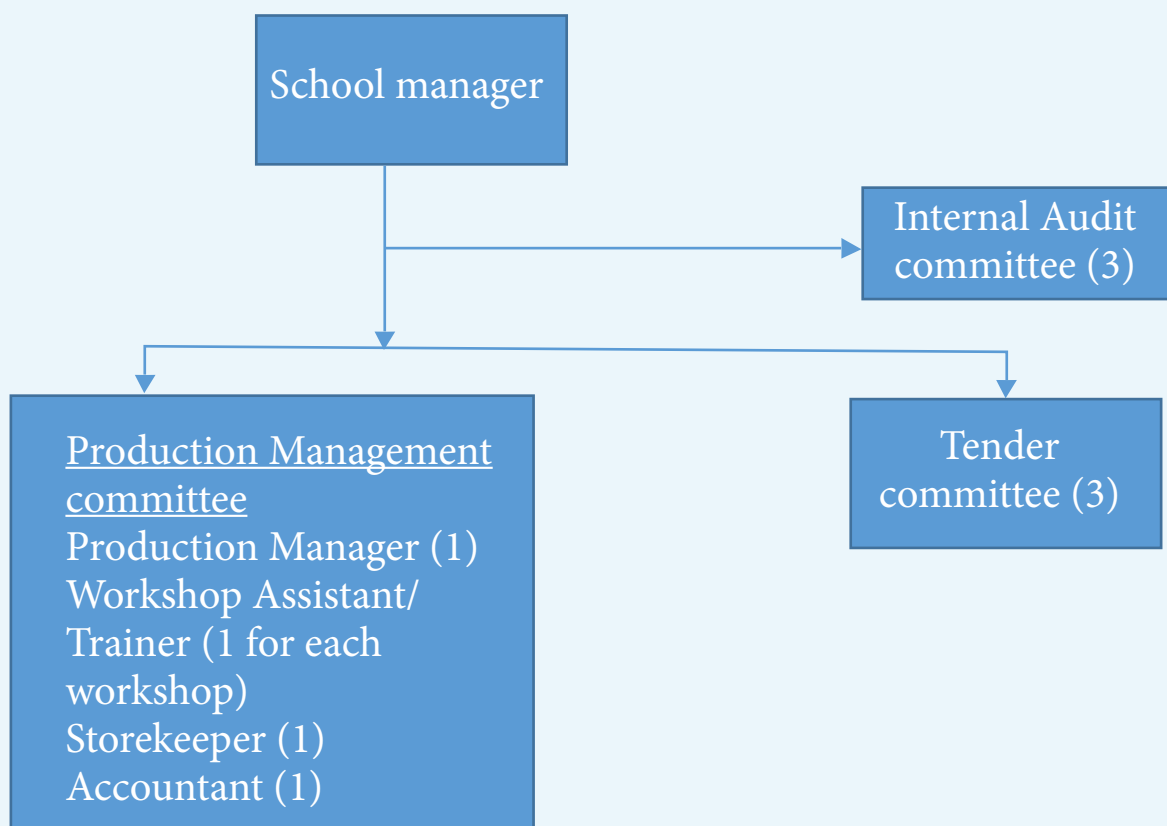


Figure 1 Management of TVET Production Unit

1.2.3.2 Managerial organs

Management of the production unit must have a clear organizational structure with administrative personnel appointed from the existing staff of the school for a period of three (3) years.

The production unit would, for the sake of transparent management, consist of three separate committees: tender committee, production unit management committee, and Internal Audit committee. A production manager should oversee the production unit committee and take part in the tender committee and report to the school manager, who is responsible for all committees and is normally at the top of the Technical schools. The internal audit committee will keep stringent control over all production unit activities.



2.1.3.1 Roles and responsibilities of managerial organs

- **Production unit management committee:** Should be composed of a Production manager, Trainer responsible of the workshop (one for each workshop) and a storekeeper and or an accountant. This committee is responsible for regular inventory control and keeping records, and all report to the school manager.
- **Tender committee:** Should be composed of at least three members designated by the school manager in collaboration with the parents' committee.

- **Internal Audit committee:** This committee will objectively assess the production unit processes; assess the production unit risks and the efficacy of its risk management efforts; Ensure that the production unit is complying with relevant laws and statutes and Evaluate internal control and make recommendations on how to improve.

Designation of member of the structure process

- **Head teacher (school manager):** Must be the current school head teacher (School Manager)
- **Internal audit committee:** Must be comprised of the following: Parents committee representative (1), teachers' representative (1) and one teacher (1). However, the teacher must have no involvement with any production unit.
- **Tender committee:** The existing school tender committee.
- **Production management committee:** Must be composed of the followings:
 - i. **Production manager:** Must be the school department (trade) head.
 - ii. **Workshop assistant/ storekeeper:** Must be the current school workshop assistant in that trade.
 - iii. **Accountant:** Must be the current school accountant.

2.2 Implementation management of Technical School Production Unit

2.2.1 Human resources and their responsibilities

- **School head teacher:** is the coordinator of the production unit, and ensures conflict management and capacity building of the production unit staff.
- **Production manager:** prepare the material list for product and submit it to the accountant, to ensure daily production, and quality of the products and support the accountant in the costing of final products.
- **Workshop assistant/ storekeeper:** ensures availability of consumables (stock movement), tools, equipment, facilitates students' practical work, and storage of finished products with their inventory.
- **Accountant:** Verify and submit prepared material list request for product and submit it to tender committee. Selling of final products and maintain clean bookkeeping of the production unit. The account of the production unit must be opened in **UMWALIMU SACCO**.

- Students and their role

2.2.2 Material and financial resources

- Training consumables purchased through government funds and other sources of revenue
- Financial resources from sold final products.

2.3 Utilization of production unit incomes

All generated production unit income belongs to the school and it is the role of the school management committee to decide on the utilization of production unit income in compliance with rules and regulations.

Section 3. GUIDELINES FOR TECHNICAL SCHOOL (TSS&VTC) COMPANY

3.1 The Concept of Company in Technical school

With the aspiration of a school income generation activity framework, some Technical schools have to establish companies and register in RDB as any other company. Some of these companies are operational since long and have already recorded some success stories which contributed to the advancement of these Technical schools.

The shareholder in each of these companies is the Technical school itself with 100% shares. This means that all the generated revenue remains public funds for public schools and is solely used for the public interest, especially in supporting the Technical school's training activities.

The main objective for school company is to contribute to the school training budget for quality TVET and job creation. Through the school company students and graduates acquire direct working experience in the industry, inculcate entrepreneurial spirit, creativity, and innovations in offering on-the-job training, etc.

Specific objectives for the establishment of the school company are:

- ✓ Promote technical hand-on skills for students
- ✓ Contribute to school training budget
- ✓ Create employment opportunities for TVET graduates and the community

3.2 Technical school resources to be used in Company

To start setting up a company, the school has to examine whether the available resources are sufficient for setting up a company. The company manager has to be competent to manage the company to serve trainees for practices as well be an attempt to earn money for the school to increase the operational costs of the school. In addition, the manager has to examine whether facilities are also available that support the company (For example Mechanical department area of expertise, whether the available equipment of machines in the form of welding machines and others). Although the production unit has become a necessity in every Technical school there will be Technical school that does not have a company, because it does not have adequate resources

3.3 Criteria for a company to be incorporated/registered

1. Accreditation letter for the school
2. Authorization of competent authority to establish the Technical School Company
3. The school must have a working production unit.
4. The annual turnover for the existing production unit should be at least equivalent to 20,000,000 RWF is required for the Technical school to have the company.
5. A business plan for the Company.
6. Enough equipment for the company to work without interrupting the teaching and learning process.
7. School general assembly meeting resolution for the establishment of a company, managerial organs, and board of directors and other company's legal incorporation details such as:
 - Name of the company
 - Shareholders
 - Number of shares
 - Value of each share
 - Address of the company
 - Business activities

3.4 Managerial organs /structure

The Technical school company's organizational structure describes the relationships of resources within a company. It begins with people but also includes materials, money, and information. It defines lines of authority, channels for the flow of information, and means of control. The managerial organs comprise of the following:

- School General Assembly
- Board of Directors
- Managing Director of the company
- Internal Audit committee
- Technical Staff
- Casual workers
- Accountant

The below diagram shows the organizational structure of the school company

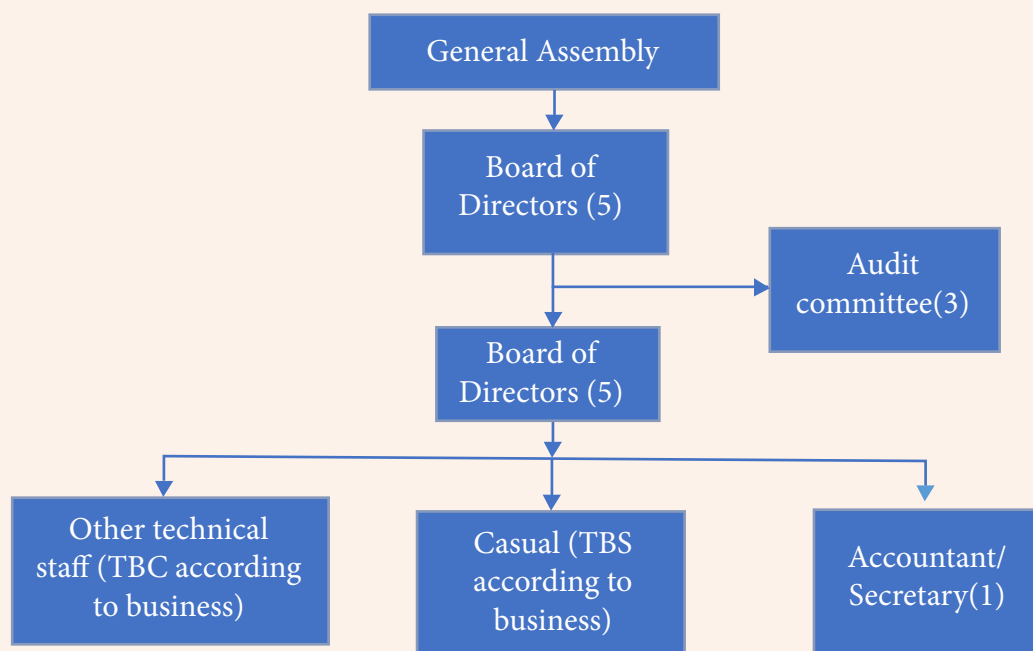


Figure 2 organization structure of the Technical schools companies

3.4.1 General Assembly of Technical School Company

The School General Assembly is the supreme organ of the Technical school company. It is composed of all parents, school staff, and two student representatives.

Roles and responsibilities of the General Assembly of Technical school company

The General Assembly has the following powers:

- To adopt and amend the procedures manuals and internal regulations of the Technical school company;
- To appoint and dismiss the Board of Directors
- To determine the Technical school (TSS&VTC) company vision, mission and activities;
- To approve the annual financial statements of the Technical school company;
- To approve the distribution of annual dividends
- To accept donations and legacies;
- To dissolve the Technical school company;
- To appoint external auditors for certification of company financial statements if necessary
- To carry on any activity not attributed to any other organ.

3.4.2 Board of Directors of the Technical school company

The Board of Directors (BoD) is the governing body of a company, appointed by School General Assembly (Shareholder) to set strategy and oversee management. The Board of Directors makes decisions, preserves company interests on behalf of the shareholder. Technical school (TSS&VTC) company boards of directors are composed by:

- Parent (not SGA chairperson) 1
- Teacher 1
- Local leader representative or School owner representative: 1
- Administrative staff (Excluding the school manager): 1
- Managing director of the school company: 1

The responsibilities of the Board of Directors

The board of directors shall have the following responsibilities:

- Setting the company's strategic goals,
- Providing the leadership to put them into effect,
- Appointment of the senior managers of the company
- Dismiss the senior managers with the approbation of the shareholder
- Supervising the management of the business,
- Reporting to shareholders on their stewardship,
- Regularly monitor the activities of the Company through the reports submitted by the Managing Director and always call him/her for explanations if needed,
- Approve annual budget,
- Make appropriate decisions based on financial reports;
- Approve salaries and compensation for the company staff;
- Authorize the company to go for international tenders while observing national policies.

The school company Audit committee:

The Technical school (TSS&VTC) company audit committee is composed of three (3) members appointed by the Board of Directors on the recommendation of the school manager as follow:

- Trainer

- One parent
- School accountant

Roles and Responsibilities of the Audit Committee:

- Objectively assess the company's equipment and/or business processes.
- Assess the company's risks and the efficacy of its risk management efforts.
- Ensure that the organization is complying with relevant laws and statutes.
- Evaluate internal control and make recommendations on how to improve.

Managing Director and other employees of the company

The managing director, accountant and other technical staff are recruited and appointed by the board of directors. Casual workers of Technical school (TSS&VTC) company shall be recruited and appointed by the managing director, based on their expertise, experience, and competence.

Categories of the Technical school (TSS&VTC) company staff

The staff of Technical school (TSS&VTC) company is classified into the following categories:

- Employees on long and short-term contract basis
- Employees on short-term contracts (experts and casual workers)

Roles and responsibilities of managing director.

- Develop and present the strategic and annual business plans to the Board of Directors for approval.
- Execute business strategies to achieve short and long-term goals
- Reporting to the board,
- Regularly report to the Board of Directors the progress against the strategic and annual business plans implementation and provide market insights and strategic advice. Typically, reporting against the annual plan will be semi-annually, while reporting against the strategic plan will be once a year.
- Manage the day-to-day operations of the company in accordance with the company procedure manual

- Appoint a technical team depending on the nature of the project to be implemented in accordance with the company procedure manual
- Approve requests for the purchase of goods for projects' implementation
- Manage, motivate, develop and lead company staff
- Ensure the efficient and effective management of the company's resources to achieve its objectives
- Chair the company staff meetings
- Take a leadership role in establishing or developing the company's culture and values
- Ensure that appropriate internal and external audit processes and procedures are in place
- Any other related assignment recommended by the Board of Directors

Technical school company's Accountant roles and responsibilities

- Receive and check conformity and accuracy of payments requests;
- Process all approved company payments;
- Prepare complete, accurate and timely financial reports in accordance with mandatory deadlines;
- Participate in Internal and External Audit exercises and assist them in their respective functions;
- Ensure a proper filing system for all payments supporting documents;
- Prepare bank accounts reconciliation
- Make proper adjustments in financial reports if necessary;
- Prepare monthly, quarterly, and annual financial reports for quality review.
- Ensure timely tax declaration.
- Follow up the approval of the financial statement report and submit to MD in due time,
- Perform any other assigned tasks by her/his supervisors.

Role and responsibilities of Technical Staff

- The role of technical staff is to perform the daily company business activities; their responsibilities will be determined by the boards of directors before his/her recruitment

Role and responsibilities of casual workers

- The role of casual workers is to perform the daily company business activities; their responsibilities will be determined by the managing director before their recruitment

3.5 Personnel recruitment**3.5.1 Employees on short or long-term contract basis**

The employees on a contract basis of the company are recruited and appointed based on the organizational structure and organizational framework in force, all company staff recruitment processes and appointments shall be done in conformity with the Human resource manual of the company.

3.5.2 Experts

Experts are employees who are recruited based on special expertise for the project to be implemented by the company.

3.5.3 Workplace learning target group

In the spirit of providing Technical school's staff and students with the opportunity to improve their practical skills and experience, in labor selection, they will be given priority without conflicting with the labor law and school teaching and learning activities.

3.6 Financial and Material resources

The property of Technical school (TSS&VTC) company comprises movable and immovable assets. The property of Technical school (TSS&VTC) company derives from the following sources:

- Shares
- Revenues from business operations
- Grants
- Proceeds from sales on own assets
- Other revenues prescribed by the law

Use of Technical school's assets

- The company management shall make a request for use of school infrastructures, equipment and tools.
- Technical school management in collaboration with Technical school company's management shall apply a minimum of 15% on company sales for the use (routine maintenance, depreciation and overheads) of Technical school assets and transferred to Technical school bank account on monthly basis.

- In case of school assets damage during Company activities, the level of damage shall be assessed by Technical school and the company. The company shall fix the problem accordingly.

Purchase of Company own assets and Business consumables

- The Technical school (TSS&VTC) company shall purchase its own tools, equipment and any other fixed asset if needed
- The Technical school (TSS&VTC) company is responsible for purchasing the needed consumables to run its daily works in compliance with approved company procurement procedures.

Utilization procedures of Technical school (TSS&VTC) company Incomes

The board of Directors will establish the financial management guideline that provides guidance over the company's resources management and provide an appropriate financial regulatory framework that ensures that resources are generated and used with due regard to priority and regularity in line with the company's objectives.

Dividends

In the Annual General Assembly meeting (AGM) of shareholders, dividends to a shareholder should be determined and paid based on the profit generated by the company. The board of directors shall authorize the dividends to be paid to shareholders after satisfaction of the solvency test. The shareholder may waive its entitlement to receive a dividend by a signed written notice to the company management.

Section 4: MONITORING AND EVALUATION

The effective monitoring and evaluation of the production unit and school company guidelines' objectives, activities and related indicators will be done through a regular collection, analysis and use of data to reflect the extent to which schools implement the production unit and school company guidelines. Production unit and school company evaluations will be carried-out based on the available resources/Inputs, outputs/results, performance indicators and outcomes. The annex of this document presents a summarized logical framework as a tool for improving the planning, implementation, management, monitoring and evaluation of the guidelines.

The monitoring framework should be used to regularly measure ongoing processes in the implementation of the goals of the specific guidelines with the measures designed to effectively capture key quantitative and qualitative measurements of performance, allowing school managers to evaluate what is being achieved against the clear goals they have set, both for Production unit and company. It also allows for evaluation of production unit and school company guidelines against other policy options for promotion of made in Rwanda, Entrepreneurship, and industrial exposure. However, RTB will put significant effort into regular monitoring of the implementation of the guidelines, and taking appropriate actions when expectations are not met.

The Monitoring and evaluation of the Technical school production unit and the company will focus on:

- The business plan;
- The strategic plan;
- The action plan; and
- Annual budget

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Annex 1: Technical School production Unit & School Company Monitoring and Evaluation Matrix

Expected Outputs	Indicator to track Output	Unit of measure	Baseline	Targets and Milestones				Responsible entity	Data sources(Means of Verification)
				Y1 2022/23	Y2 2023/24	Y3 2024/25	Y4 2025/26		
Impact 1: Increased (self) employment for TVET graduates through quality and relevant TVET education									
Outcome 1: Provision of excellent technical hands-on skills to students									
1.1 Technical hands-on skills to students enhanced	1.1.1 Existence of the time table for operation hours in the School production unit and Company.	Number	Timetable for Technical schools available	Time table for operation hours in the School production unit and Company available and used	Time table for operation hours in the School production unit and Company available and used	Time table for operation hours in the School production unit and Company available and used	Time table for operation hours in the School production unit and Company available and used	School Company	Document provided by the company
	1.1.2 Existence of the time table for apprenticeship hours for students in the School Company.	Number	Timetable for Technical schools available	Time table for apprenticeship hours for students in the School Company available and in use.	Time table for apprenticeship hours for students in the School Company available and in use.	Time table for apprenticeship hours for students in the School Company available and in use.	Time table for apprenticeship hours for students in the School Company available and in use.	School Company	Document provided by the company
	1.1.3.Number of students attending the industrial attachment in the company	Number	641(2021-22)	682	722	762	802	School/ Company	
	1.1.3 % Of employment rate after 6 months of graduation	Percentage	70%	80.2%	81%	82%	84%	RTB/ Technical school	Tracer survey

	1.1.4 % Of employers satisfied with TVET graduates	Percentage	83.80%	86%	87%	88.20%	90%	RTB/ Technical school	Tracer survey
1.2 Adequate infrastructure and equipment provided	1.2.1 Plan of use of workshop space and equipment	Number	Workshop space and equipment available	Plan of use of workshop space and equipment	Plan of use of workshop space and equipment	Plan of use of workshop space and equipment	Plan of use of workshop space and equipment	Technical school	Document provided by the school
	1.2.2 Quantity of consumables supplied to the Company.	%	N/A	% to be calculated and edited on yearly basis	% to be calculated and edited on yearly basis	% to be calculated and edited on yearly basis	% to be calculated and edited on yearly basis	Technical school and School Company	Document provided by the school
	1.2.3 % of training equipment supplied to school company	%	N/A	% to be calculated and edited on yearly basis	% to be calculated and edited on yearly basis	% to be calculated and edited on yearly basis	% to be calculated and edited on yearly basis	Technical school and School Company	Document provided by the school
Outcome 2: Employment creation for industrial based TVET graduates									
2.1 Employment created through school company	2.1.1 % of industrial based TVET graduates employed	Number	61.3%	65%	70%	75%	80%	Technical school and School Company/PSF	Document provided by the school Company
	2.1.2 Number of decent jobs created	Number	N/A	Number of decent jobs created to be compiled on annual basis	Number of decent jobs created to be compiled on annual basis	Number of decent jobs created to be compiled on annual basis	Number of decent jobs created to be compiled on annual basis	RTB/ Technical school	Tracer survey
Outcome 3: Contribution on school training budget									
3.1 School company established and well managed	3.1.1 Number of established managerial organs (as prescribed in the structure)	Number	N/A	Number to be calculated and edited on yearly basis	% to be calculated and edited on yearly basis	% to be calculated and edited on yearly basis	% to be calculated and edited on yearly basis	Technical school and School Company	Document provided by the school Company

4.1 Income generated and well managed	3.1.2 Existence of the action plan, business plan and strategic plan for the school production unit	Number	Action plan, business plan and strategic plan for the school available	Action plan, business plan and strategic plan for the production unit should be in place	Action plan, business plan and strategic plan for the production unit should be in place	Action plan, business plan and strategic plan for the production unit should be in place	Technical school and School Company	Document provided by the school Company	
	3.1.3 Existence of the production and Company procedure manual	Number	N/A	Production and Company procedure manual to be available	Production and Company procedure manual to be available	Production and Company procedure manual to be available	Technical school and School Company	Document provided by the school Company	
	3.1.4 Established staff for production unit responsibility plan (job description)	Number	N/A	One document for the staff of production unit responsibility plan available	One document for the staff of production unit responsibility plan available	One document for the staff of production unit responsibility plan available	Technical school and School Company	Document provided by the school Company	
	Outcome 4: Income generation								
4.1 Income generated and well managed	4.1.1 % of produced products	%	N/A	10%	25%	35%	50%	Technical school and School Company	Document provided by the school Company
	4.1.2 Number of sold products	Number	N/A	Products sold will be counted on monthly basis	Products sold will be counted on monthly basis	Products sold will be counted on monthly basis	Products sold will be counted on monthly basis	Technical school and School Company	Document provided by the school Company
	4.1.3 Amount of generated income	Number	N/A	Generated income to be recorded and financial report prepared on monthly basis	Generated income to be recorded and financial report prepared on monthly	Generated income to be recorded and financial report prepared on monthly	Generated income to be recorded and financial report prepared on monthly	Technical school and School Company	Document provided by the school Company

	4.1.4 Amount of generated income allocated to the school budget	Number	N/A	100%	100%	100%	100%	Technical school and School Company	Document provided by the school Company
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Baseline Data*:

1. Existing production unit: data available for the year of commencement of guidelines

2. New production unit: data available for the year of implementation

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