

TITLE: It Takes Three to Tango in Employment: Matching Vocational Education Organisations, Students and Companies in Labour Markets

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Abstract: We examine the determinants of labour market status after the initial vocational basic education (ISCED 3) by use of unique linked register data on students, teachers, educational organisations and business companies in Finland. We distinguish between four outcomes: 1) employment 2) further studies 3) non-employment and 4) drop-out. The explanatory factors are classified into three main groups: the characteristics of 1) the educational organisation and their institutions, 2) the students and 3) the local business conditions. Teaching expenditures do not matter but teachers' skills do. According to our results it is a challenge to find effective policy tools for improving the employability impact of the initial vocational education system.

Keywords: Education production, vocational education, employability, further studies, regional development

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