


SUPERVISORY BOARDS IN VET INSTITUTIONS:

current state
and key barriers



This analytical report is based on the results of a survey of vocational education institutions conducted in March 2026 as part of the project “Autonomy-Driven Schools & Stronger Business Ties” (Profosvita: Autonomy of the Future), implemented by EasyBusiness with financial support from the European Union, Germany, Poland, Estonia, and Denmark as part of the Skills4Recovery Multi-Donor Initiative, which is being implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and Solidarity Fund PL (SFPL).

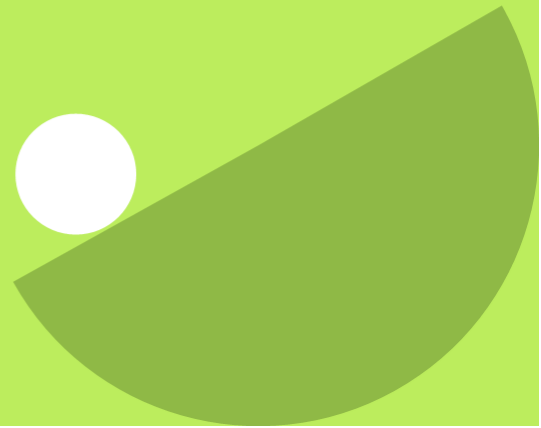



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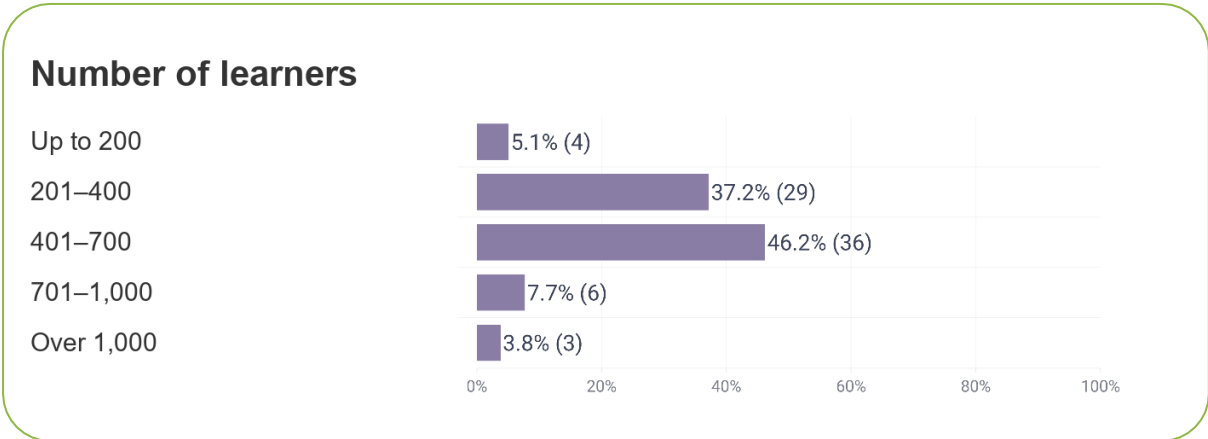
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Introduction

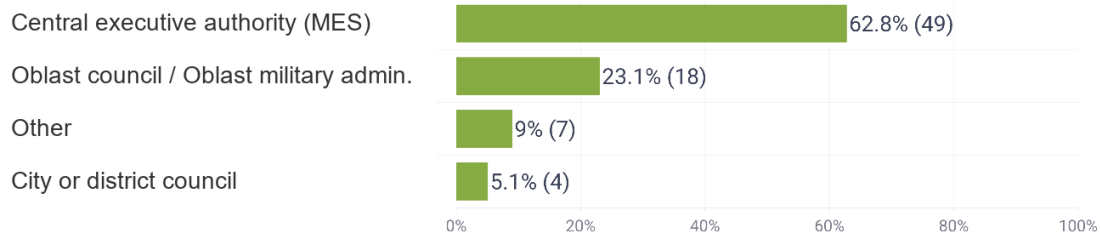
The vocational education reform in Ukraine is entering a phase in which supervisory boards stop being a theoretical construct and become a practical task. Order No. 1725 of the Ministry of Education and Science (MoES) of Ukraine, dated 30 December 2025, «On the approval of the Model Regulation on the supervisory board of a vocational education institution», opened the legal pathway for VET institutions to start forming supervisory boards under the new framework. Some institutions have already begun the process, others are at the stage of preparing documents and selecting candidates, and others are still planning to start. How effective this tool ultimately becomes will depend on the quality and viability of these first boards.

This report records the current state of supervisory board formation in VET institutions and the key barriers that institutions are already facing or expect to face in the future. It is not a recommendations document, nor a methodological guide. Its task is simpler and, at the same time, no less important: to give stakeholders – at the level of public authorities, international projects and VET institutions themselves – a clear picture of how the reform is currently being implemented. Without such a record, any further steps – the development of methodological materials, regulatory clarifications, communication campaigns – risk missing the mark, because they will rely on assumptions about what VET institutions lack rather than on data about their real pain points. It is precisely this data that should become the basis for further decisions (regulatory, methodological, communication) instead of assumptions about what institutions are missing.

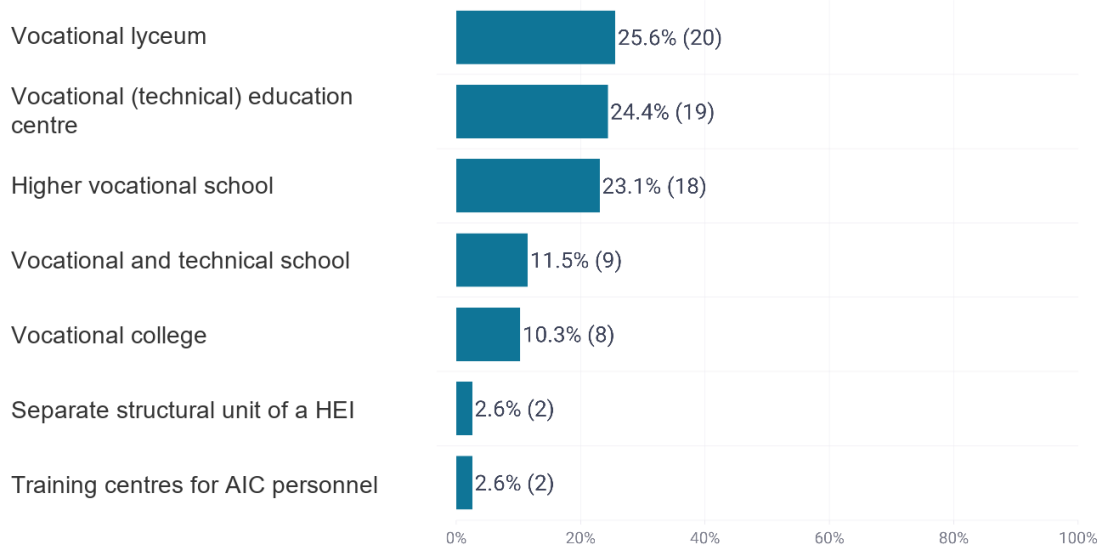
The report is based on an online survey of 78 VET institutions from 22 oblasts of Ukraine, conducted in March 2026. The sample broadly represents the system in terms of institution types, founders, size and specialisation.



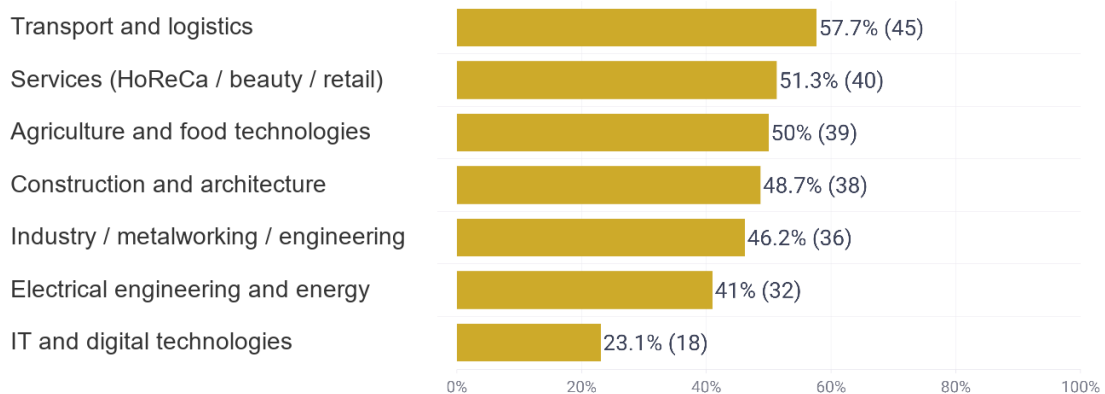
Founder of the institution



Type of institution



Main training areas



The report additionally draws on open-ended responses from the same survey, which provide a qualitative dimension where quantitative data alone are insufficient to describe the current state in full.

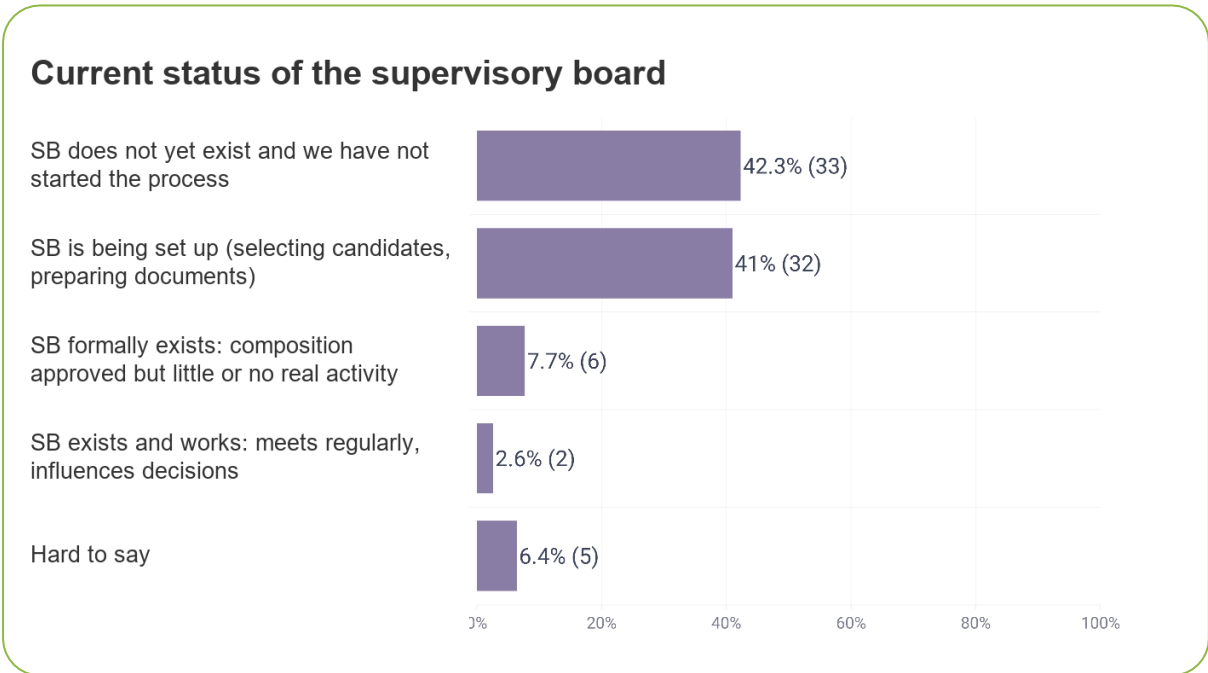
This short analytical document is not intended to walk through every survey question in detail. That information is laid out in full in the accompanying dashboard, where the collected data can be explored independently. Instead, this document interprets the quantitative data and qualitative comments from VET institutions and identifies five interconnected blocks that together determine whether a supervisory board will actually start working in a given institution: understanding of value, the formation process, the regulatory environment, communication with business, and the motivation of the people who sit on the board or support its work: <https://easybusiness-paf-dashboard.netlify.app/en>.

We first look at the current state of the system as a whole and pay particular attention to institutions where the supervisory board is already functioning – not to turn them into a benchmark, since their number in the sample is too small for any generalisations. Our aim at this stage is to identify the factors that have come together in their case and to use this profile as a mirror for the rest of the VET institutions: if certain factors distinguish an institution with a working board from the rest, then it is precisely these factors that are missing in the others, and it is precisely on them that further focus should fall. Then, block by block, we examine why these factors fail to come together in the vast majority of VET institutions.

We start with what lies deepest – the understanding of the value of a supervisory board as such. Without this foundation no further step works: the institution will not be able to convince business, the founder will see no point in giving a “green light”, and board members will not want to invest their time. If value is recognised, the next question is operational: how exactly to set up the board, how to organise document collection, who signs what and when. Then we move through the regulatory barriers – those that do not depend on the institution itself and require action at the level of the founder and the MoES. The next stage is what exactly to talk about with business once it has joined the board, and how to manage the first year of its work so that it does not turn formal after two or three meetings. Finally, we focus on the human factor: who are the people willing to invest their professional time in the board, whether they need compensation, and how to handle this. At the end we consolidate the findings into a short concluding section with priority directions for action for the MoES, founders and international technical assistance partners – not as a finished roadmap, but as a reference point for the next steps that will allow the system to deliver results in the future.

Current state of supervisory boards in the system

The survey captured a distribution of VET institutions by supervisory board status that illustrates well which phase the system is in overall. The picture is as follows: 33 VET institutions (42% of the sample) do not yet have a supervisory board; another 32 institutions (41%) are in the process of setting one up – selecting candidates, preparing documents. A board that exists formally – with its composition approved but with no real activity or almost none – is the situation in 6 institutions (8%). Another 5 institutions (6%) were unable to classify their own situation unambiguously. And only 2 of the 78 VET institutions surveyed (about 3%) have a board that meets regularly and genuinely influences decisions.



Three numbers here are critical for understanding the current situation. The first – 83% of VET institutions (65 out of 78) have no supervisory board at all: either they have not started the process, or they have only just begun it. This means we are talking not about reforming an existing institution but about creating it from scratch on a mass scale. The second – 8% (6 VET institutions) have a formal board, meaning its composition has been approved and documents signed, but the board as a mechanism for influencing the institution’s

development is absent. These institutions set up their boards before the legislation was updated, and they are essentially a mirror of what may happen to the rest if the formation process is launched formally and without support. The third – 3% (2 institutions) have a genuinely active board. This is a small but telling segment, and it makes sense to start the analysis from here – not because these two cases provide a statistical base for generalisations, but because it is in these cases that the system has actually worked, and they are the natural reference point when planning the large-scale launch of supervisory boards in the rest of the institutions.

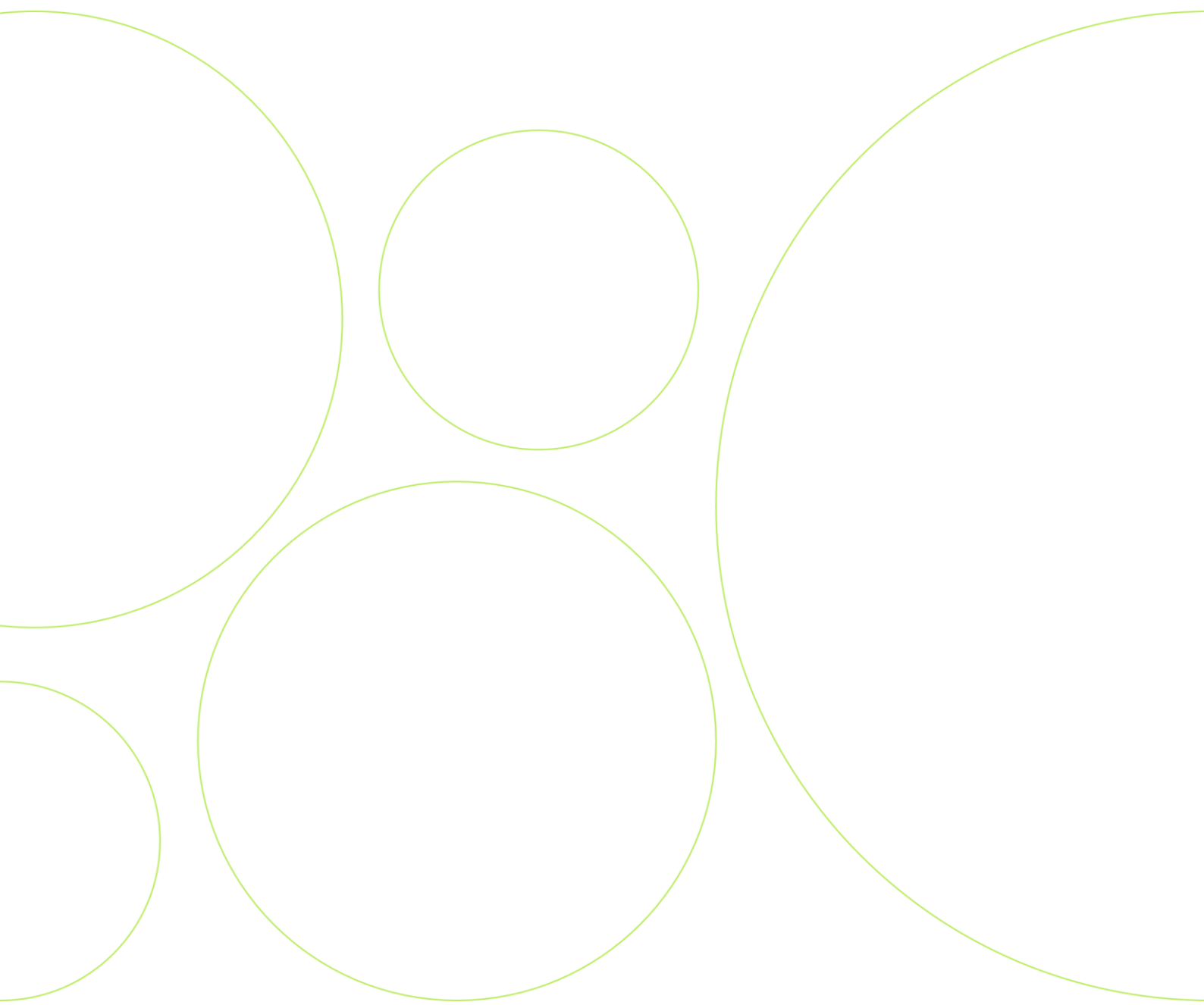
It also matters that institutions' familiarity with the Model Regulation on the supervisory board of a VET institution and the Model Procedure for the formation of the supervisory board of a VET institution, approved on 30 December 2025 ([Order №1725](#)), is high: 66 institutions (85%) reported being familiar with them in detail, another 11 (14%) have heard of them but have not read them in detail. Only 1 institution stated that it was hearing about the Order for the first time. Institutions know what is expected of them – but either they have not yet had time to start the process, or they see no point in acting, or they do not know exactly how to act, or they know how but run into external constraints.

Among the 78 VET institutions surveyed, only two have the profile of a genuinely functioning supervisory board (by their own assessment): Kryvyi Rih Centre of Vocational Education in Metallurgy and Mechanical Engineering (Dnipropetrovsk Oblast, founder – MoES) and the Municipal VET Institution “Novovolynsk Centre of Vocational Education” of the Volyn Oblast Council (Volyn Oblast, founder – the oblast council). These two institutions differ by founder type, geographic location and training profile – in other words, they are not a cluster that can be explained by a single external factor. At the same time, the responses of both institutions show notable overlap: they cite the same factors as the ones that distinguish their board from a formal one. This makes it possible not only to list those factors but also to cross-check how consistent they are with what formal boards name as the reason for their current declarative status.

The responses of both institutions identify three interrelated components that keep the board effective. The first – a strong chair of the board who takes on leadership: both institutions cite this factor as the main one among those that helped make the board active. The second – board members' awareness that they can genuinely influence the development of the VET institution and the local community: this is the motivation that members of active boards rank first. The third – visible results in areas strategic for the institution: both examples note that their board has a real impact on the institution's strategic development and on attracting new partners and resources.

This triad should be read together with another figure – the mirror portrait. In the six VET institutions with a formal board, every single one names the main hallmark of formality as the absence of a strong leader who would “pull” the work of the board. In five of these six institutions (83%), board members – in the respondents' assessment – do not see enough value in participating; in another five of six (83%), they are busy people who are difficult to bring together. Three of the six formal boards (50%) directly note that the board has no actual influence on any institutional decision.

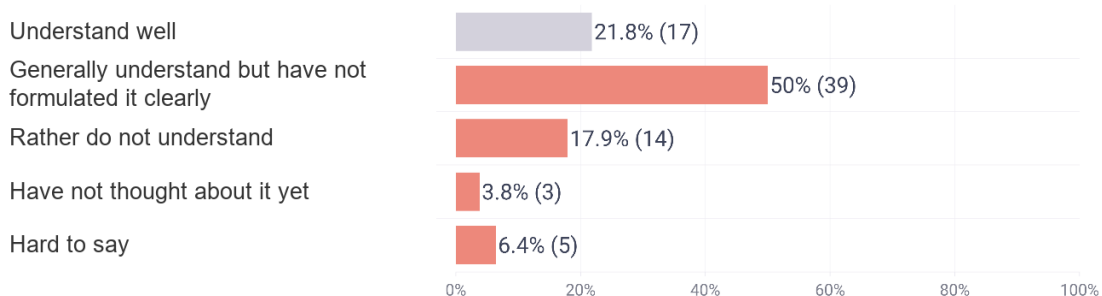
Cross-checking these two pictures produces the first anchor thesis of the report: a supervisory board works where three factors come together at the same time – strong leadership that keeps the process moving; a clear and tangible value of participation, felt by members; and visible results that confirm this value in practice. If even one of these components is missing, the board turns into a formality. In the next blocks we will examine each of these components in turn.



Understanding value as a fundamental barrier

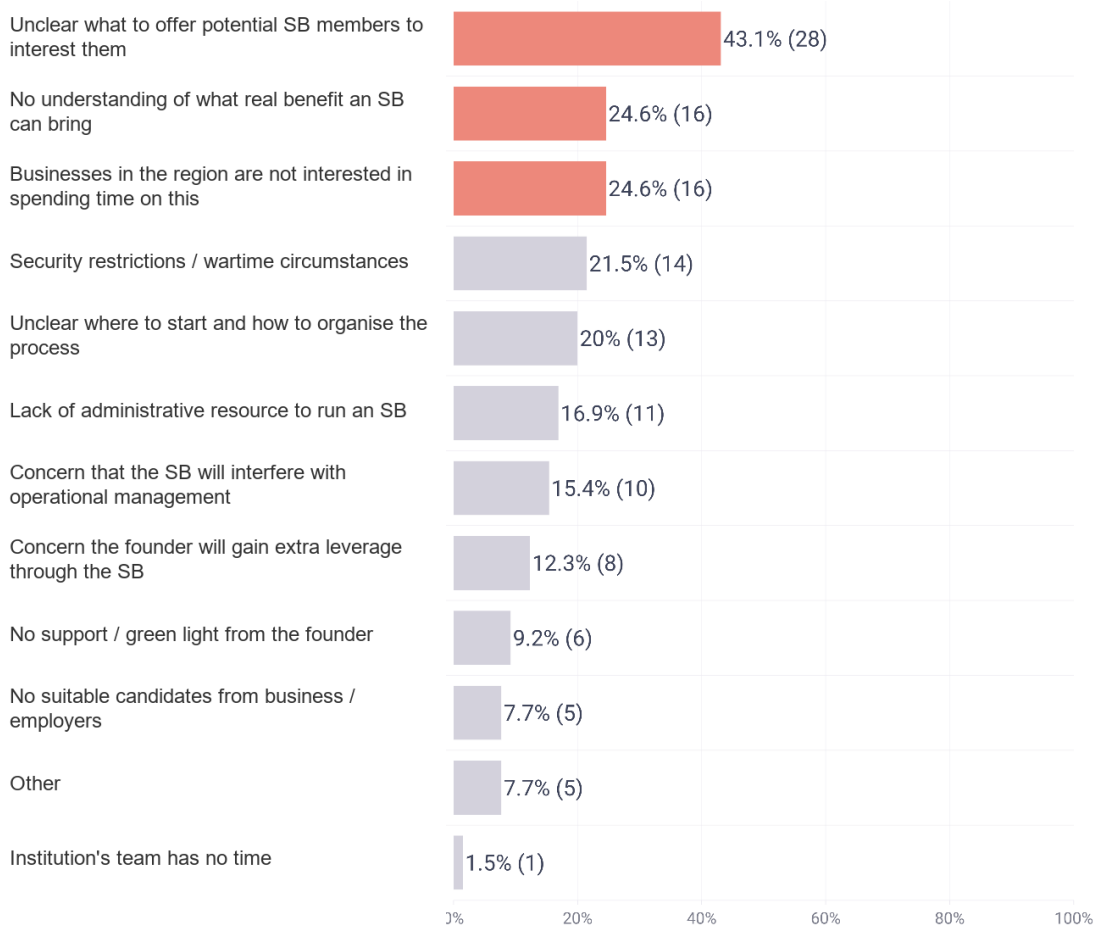
If we move from the result back to the foundation, the first level at which the process of setting up a supervisory board most often stalls is the understanding – by institutions and businesses themselves – of what a board is actually for. The survey confirms this in two different forms. On the one hand, when institutions were asked directly about the extent of their understanding of the mutual benefits of a supervisory board – both for the institution and for its external members – only 17 of 78 VET institutions (22%) clearly understand the value. The remaining 78% of VET institutions in the system do not have a clear, articulated understanding of what exactly a supervisory board should give them and business.

How well the institution understands the mutual benefit of the SB



On the other hand, when we look at the reasons institutions do not set up a supervisory board, the top three positions in the list of barriers are essentially different expressions of the same value vacuum. First place – “it is not clear what we could offer potential supervisory board members to interest them”. This barrier is cited by 28 of the 65 VET institutions that have no board or are only just setting one up, i.e. 43% of this segment. Second place – “there is no understanding of what real benefit a supervisory board can bring to the institution” – 16 institutions (25%). Third place, with the same figure – “businesses in the region are not interested in spending time on this”. Together these three barriers point to a key deficit – not a resource, regulatory or political one, but a deficit of meaning: there is no clear articulation of the benefits, for both the VET institution and potential board members, of cooperating through this format.

Barriers and concerns about setting up an SB



“A supervisory board is not a structure. It is a tool that is either built into the system or does not work at all” – this observation from the institutions themselves is key: this is not about “setting up a body” in response to a regulatory requirement, but about understanding the function the board is needed for. Only by understanding the function can value be articulated – both for the institution and for business.

1.1. What «value» means for the institution and for business

Within the project, three surveys were carried out in total: VET institutions on supervisory boards, and VET institutions and businesses on their partnerships. Across all of them the same structure of potential value emerges – value that a supervisory board can deliver if it is filled with the right content. For the institution, the supervisory board is a mechanism through which strategic decisions (updating and developing educational programmes in line with labour-market needs; introducing new – including dual – programmes jointly with business; strengthening the institution’s management; and shaping a long-term development strategy) are made not in the vacuum of internal administrative logic, but in dialogue with the labour market. This is especially important in a situation where, as the VET-institution survey

recorded, “the very logic of an institution’s development depends to a large extent on the initiative of its leadership”: proactive directors are able to build lasting alliances with business, while less proactive VET institutions remain in passive expectation of external change. A supervisory board is a tool that makes the institution’s development less dependent on the personality of its director and more institutionally resilient.

For business, a supervisory board is not a philanthropic function. It is a channel of influence over what skills are actually formed in the region, what graduates arrive on the shop floor, and how well the institution’s material and technical base reflects modern production processes. In sectors where the shortage of skilled workers is becoming critical, the ability to influence programmes, internships and laboratory upgrades through participation in the institution’s supervisory board is a direct investment instrument, not social responsibility. This is also how respondents from active boards see this role: in their view, members’ motivation is, first of all, the opportunity to influence the development of the institution and the community; then access to potential employees and the building of a talent pipeline; and finally professional reputation and an expanded network.

But reducing business participation purely to an investment logic narrows the field of potential interaction. The argument about “long-term investments” can indeed be dismissed: large companies may be able to wait years for a return, but small and medium-sized businesses – the main employers in most regions – do not have that luxury. There is, however, another motive that does not depend on company size: responsibility toward the community. Local business exists in the same town as its employees, its customers and the children of future graduates. A VET institution is part of the community’s infrastructure, and participating in its development means something different for a local entrepreneur than for an investor expecting a corresponding rate of return and payback. It is closer to how businesses get involved in local landscaping, supporting community initiatives or sponsoring sports clubs – not because it pays off over a five-year horizon, but because it is part of the environment in which they exist.

1.2. The experience of Ukrainian universities as evidence that «it can actually work»

One typical remark in the open-ended responses is: “it all looks nice on paper, but how does it work in real life?” The most convincing answer here is not an appeal to global practice but a reference to the Ukrainian experience of higher education institutions, where supervisory boards are already starting to work and produce concrete results. The most visible example is the National University “Kyiv Aviation Institute” (KAI, formerly NAU). Back in 2024 it became a pioneer among universities that will operate by business rules. In just six months, from April 2024, the university attracted more than UAH 50 million (its 2023 funding was UAH 904 million) and built partnerships with Kyivstar, Ajax Systems, Cisco, Octava and Progresstech. Here the role of the supervisory board is reduced neither to control nor to formal structure – it is a working group that meets regularly, has its own agenda and visible results.

Worth a separate mention is the experience of dual education in Ukraine – it clearly shows that business participation in the educational process delivers results even in a complex regulatory environment. [KSE Research](#) (2021) found that in the pilot dual programme of the

State Tax University, all participants were satisfied with the learning outcomes, and among the key advantages employers and students cited the ability to apply theory in practice immediately and to learn through real cases. Tellingly, the main challenges of the programme were not a fundamental incompatibility between business and education, but organisational details – the schedule, the balance of theory and practice, training of mentors and tutors. For VET institutions this is an important signal: if at higher education level the value of business participation in shaping the content of education is already being demonstrated, then in vocational education, where the link to a specific employer is even more direct and natural, there are even fewer grounds for doubt.

The practical point of referring to this experience for VET institutions is not to copy the higher education model, which operates at a different scale and with a different type of partners, but to remove doubt about whether it is fundamentally possible. In other words, if in the Ukrainian context, with its regulatory specifics and constraints, a supervisory board in a higher education institution can be a real strategic management tool – there are no fundamental obstacles preventing the same model from working in VET institutions, adapted to their scale and type of partners. This assumption is confirmed by international practice ([OECD, 2025](#); [ETF, 2019](#)) of leading vocational education and training systems, notably Denmark, Norway and Switzerland. In these countries, business participation in institutional governance is the norm rather than the exception, and this is precisely what distinguishes a working board from a decorative one: members do not just consult – they take part in strategic decisions and share responsibility for them.

1.3. Strategic advisors, not controllers

The third component of working with value is precisely defining who supervisory board members are – and who they are not. One of the persistent fears of VET institutions captured in the survey is that the supervisory board will interfere in the operational management of the institution (10 of 65 institutions without a board flagged this – 15%) or that through the board the founder will gain additional levers of pressure on the institution (8 institutions, 12%). If the regulatory framework and the launch practice do not clearly separate what the board is responsible for from what the director and the founder are responsible for, there will be a risk of overlapping functions and constant conflict.

A functional model of a supervisory board that can support the harmonious development of a sustainable and effective interaction between a VET institution and the employers on its board is the model of strategic advisors, not controllers. That is, the board shapes decisions about which programmes to develop in response to market demand, with which sectors of the economy the institution builds priority partnerships, where to concentrate development resources, and what the link with regional employers should look like in the medium term. The board does not interfere in operational management: it does not influence the hiring or dismissal of teaching staff beyond strategic personnel decisions, does not allocate day-to-day operating expenses, and does not run the educational process. The director remains the head of the institution with full managerial responsibility, and the board provides an external strategic frame within which the administration is free to operate. This is exactly how supervisory boards work in the two institutions that the sample records as active: both note that the board has a real impact on the institution's strategic development and on attracting

new partners, and one additionally points to the financial plan (its approval and monitoring) and the material and technical base.

The «secret» of one of the active institutions, formulated in an open-ended response, illustrates this principle well:

“Our supervisory board did not become formal because we engage its members not as ‘spectators’ but as technical and strategic consultants. We replaced the format of ‘the director reports on the work’ with the format of ‘the institution and business jointly solve the problem of a shortage of specific skills’. In addition, thanks to ISO 9001:2015 certification, we speak the same language with business – the language of quality management and measurable results” – Kryvyi Rih Centre of Vocational Education in Metallurgy and Mechanical Engineering.

Two key features stand out here. First – the board does not listen to a report on what has already been done; instead, the board and the institution formulate the problem together and look for a solution. This fundamentally changes the dynamic: business does not come to “hear a report” but takes part in finding an answer to a question that concerns business itself. Second – the institution speaks to business in a shared language (in this case, ISO 9001 and quality management). Without such a shared language, even with good intentions the parties talk past each other: the institution speaks in terms of curricula and hours, while business thinks in terms of outcomes and competences.

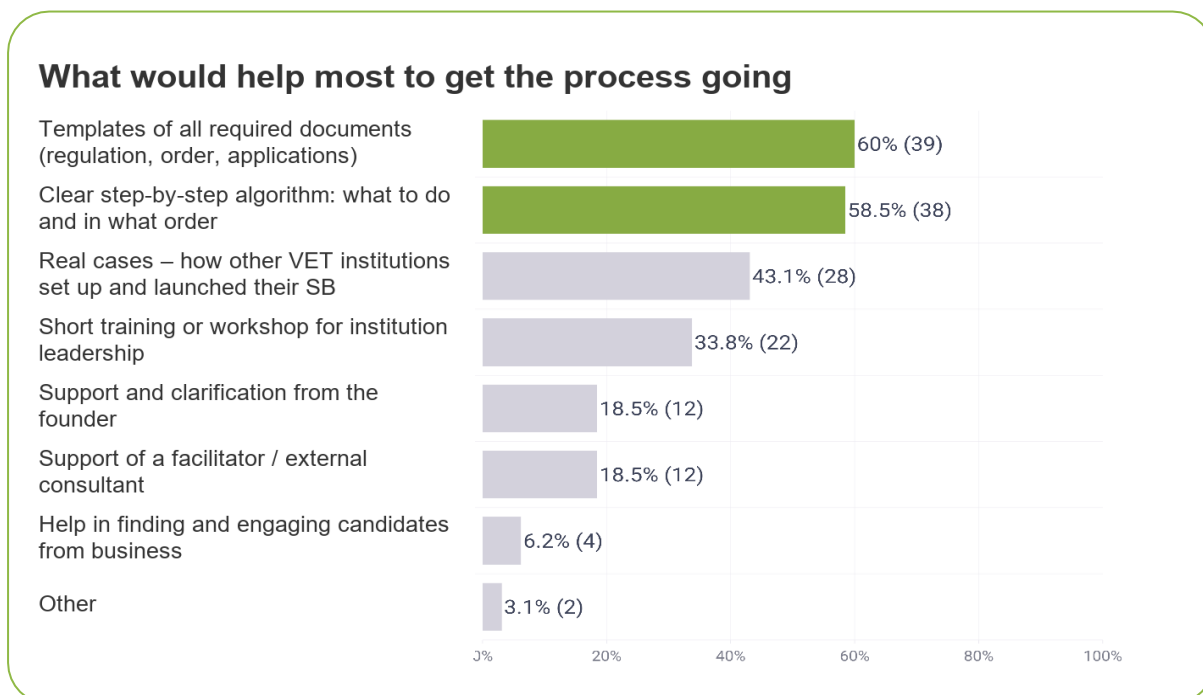
1.4. Direction of action

To balance the development of an understanding of the role and value of supervisory boards, systemic communication and methodological support from the MoES and international partners needs to be strengthened. This is primarily about a resource that explains the supervisory board not just as a formal body but as a tool for the institution’s development and for engagement with business. It should not be so much an instruction on document preparation as an accessible, practice-oriented material that demonstrates the opportunities and benefits a supervisory board creates for VET institutions, employers and partners. An important element of such a resource would be several substantive examples from Ukrainian VET institutions with specific solutions and results, along with references to international experience – in particular the practices highlighted by the European Training Foundation (ETF) and the Organisation for Economic Co-operation and Development (OECD). The relevance of such support is also confirmed by the survey: 43% of VET institutions in the process of setting up a board said that the most useful materials for them would be real cases of launching and running boards in other VET institutions, and 31% of all respondents named such examples and practical materials among the most needed forms of support.

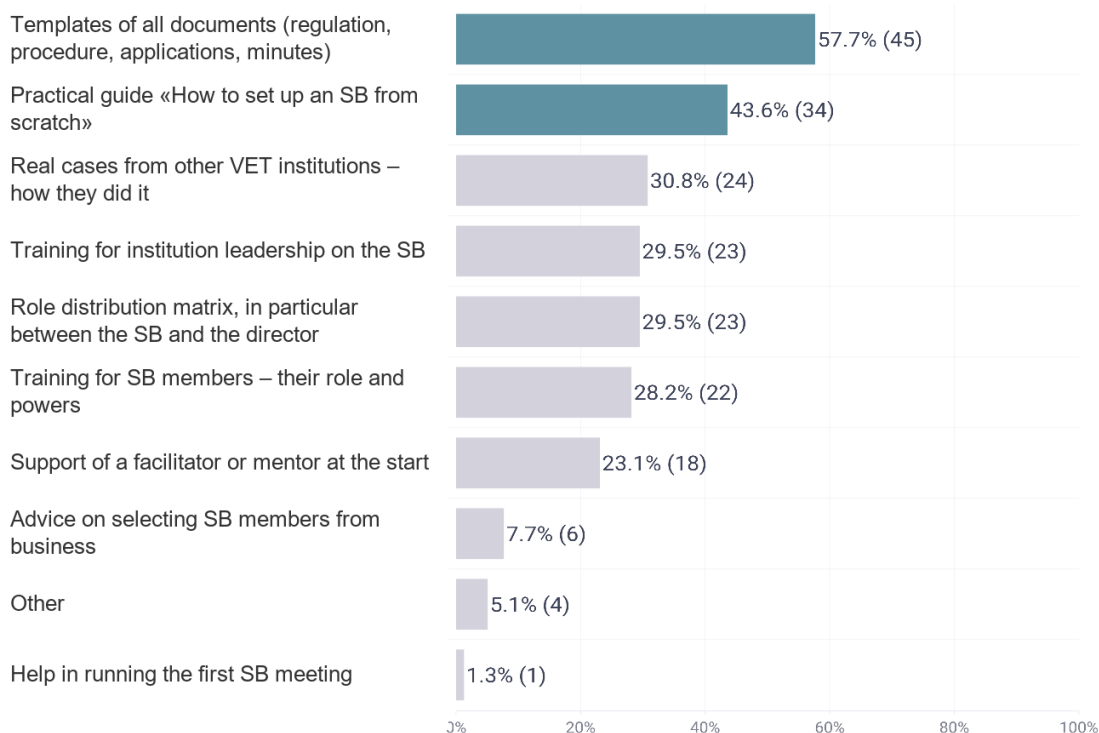
The process of forming a supervisory board

Once an institution has understood why a supervisory board is needed and has seen its value, the next level of barriers emerges – purely operational ones: what exactly to do, in what order, what documents to prepare, who approves them, at which steps interaction with the founder is required, what the first composition of the board looks like and how the first meeting is conducted. The regulatory framework introduced on 30 December 2025 ([Order N°1725](#)) describes these issues in general terms: the Model Regulation and the Model Procedure for formation are in place and can be used as a starting point. But, as the institutions themselves show, this level of generality is not enough to actually start the process.

The demand for operational specificity runs through all the blocks of the survey and at every cross-cut yields essentially the same answer. Consider the group of those who have not yet set up a supervisory board (65 institutions). When asked “what would help move the process forward most”, they answer: 60% – templates of all the necessary documents (regulation, order, applications); another 58% ask for a clear step-by-step algorithm – what to do and in what order. Across all 78 surveyed VET institutions, in response to the question about the most needed overall support, 58% name document templates (regulation, procedure, applications, minutes), and 44% name a practical guide “How to set up a supervisory board from scratch”.



What support the institution needs for the SB



2.1. What practical support for the process could look like

We do not claim to formulate a ready-made roadmap in this report – that is the task of a separate methodological document, to be developed separately. But it is worth recording the logic on which such support could be built.

- 1. Sequence of stages.** There has to be a clearly understood sequence of steps: from the institution's initiative and an informal dialogue with the founder, through the selection of candidates, agreement with the founder, approval of the composition and the regulation, to the first meeting and the planning of the first year of work. Each stage should come with indicative timelines (how much time it makes sense to allow for each step), key decisions (who signs what) and a list of documents prepared at that step.
- 2. Templates.** For every critical document – the regulation on the institution's supervisory board, the order approving its composition, the standard agenda of the first meeting, the standard minutes – there should be templates detailed enough to be adapted, but general enough that adaptation does not require legal expertise.
- 3. Responsibility matrix.** To avoid sliding into formality, such support must include a matrix of roles and responsibilities: what exactly the supervisory board decides, what the director decides, what the founder decides, and where the boundary lies between

a strategic decision (the board) and operational execution (the administration). This matrix should close most of the grey zones that today drive institutions' fears that the board will interfere with operational management.

4. **Clarity of meetings.** A scenario for the first few meetings is needed (this is the subject of Block 4, on communication with business): what to put on the first meeting, what on the second, how to formulate the first decisions so that they are substantive but do not overload the start.
5. **Facilitator support.** This component should not be a one-off methodological product but a continuous practice: a handful of experienced facilitators or mentors who, in the first year of the launch, are ready to help institutions through the hardest steps – from formulating the first outreach to a potential candidate to processing the first difficult situations at meetings. The survey shows there is demand for this kind of support: 18% mention support from “a facilitator or mentor at the start”, and 29% – “training for institution leadership on supervisory boards”.

2.2. Why this block matters right now

A large number of VET institutions are in the process of forming a supervisory board right now. This is the moment at which support has the greatest impact: the quality of how the formation process is organised will directly determine whether, a year from now, this cohort joins the “formally exists” category or the “genuinely working” one. If methodological support arrives a year later, it risks landing in a situation where some of these institutions have already made their choice in favour of formality – and correcting that is much harder than setting the right frame from the outset.

Regulatory barriers beyond the institution's control

The third level of barriers covers what lies outside the competence of an individual VET institution and requires action at higher levels: founders, the MoES, other relevant stakeholders. At this level sit issues that institutions cannot resolve on their own, even with a full understanding of value and the highest-quality methodological support. The survey captured these issues in two different forms: as part of the quantitative barriers (the founder does not support – 9% of institutions; the founder may use the board as a pressure lever – 12%) and as a broad layer of substantive open-ended responses on regulatory gaps in the Model Regulation approved by Order No. 1725.

The largest cluster of open-ended responses concerns mechanisms of real influence. Institutions note that the Model Regulation grants the supervisory board powers but does not spell out how exactly those powers translate into decisions that bind either the institution or the founder. A telling quote from the survey:

“Supervisory boards remain declarative again, because the Model Regulation gives them many rights but almost no mechanisms of influence”.

The second cluster – mechanisms for assessing the effectiveness of the supervisory board. If a board exists but there is no clear way to determine whether it operates effectively or formally, an “institutional blind spot” emerges: formal boards are invisible to the founder and to the institution itself until the situation becomes obvious through other consequences. In the words of a respondent:

“The role of supervisory boards is advisory or blurred – ‘how do you know whether the supervisory board is effective?’”

The third cluster – financing the work of the supervisory board and compensating its members. This is a subtle, multi-layered issue, to which we return in Block 5, because it relates to motivation. What needs to be recorded here is its regulatory dimension: the Model Regulation provides neither sources to cover the board's organisational work (premises, document flow, expert materials) nor a mechanism that would allow the founder or the institution to provide even symbolic remuneration for the chair or secretary of the board where this is needed to make the board's work sustainable. A respondent's quote:

“Bureaucracy. The secretary of the supervisory board is not financially incentivised either by the founder or by business”.

The fourth cluster – delineating powers between the supervisory board and the head of the institution. This cluster clearly overlaps with the fears about the board interfering with operational management that we recorded in Block 1. In respondents' own words:

“There is no clear delineation of powers between the supervisory board and the head of the institution, which creates a risk of interference in operational management”.

The fifth cluster – personal accountability of board members for the decisions they take, or for inaction. This is a regulatorily complex issue, because it involves a balance: accountability that is too strict deters candidates from joining, while accountability that is too soft lowers the quality of decisions. For this reason, the existing Model Regulation needs to focus precisely on balancing the responsibility of the parties when it is being adapted to the needs of a particular VET institution and to the way its supervisory board is organised.

3.1. Coordination with founders as a separate barrier

A separate issue within this block is coordination with founders. According to the survey conducted by EasyBusiness in March 2026, the founders of the VET institutions surveyed are: the MoES (62%); oblast councils and oblast military administrations (23%); city or district councils (5%); a number of sector-specific ministries; and higher education institutions to which a separate structural unit is attached (the case of vocational colleges). For a substantial share of VET institutions, forming a supervisory board requires that the regulation be approved by the founder – and this is precisely where a barrier emerges that the institution cannot work around.

“The supervisory board operates on the basis of a regulation developed and approved by the founder, based on the Model Regulation. At present, the founder has not developed the regulation” // “We are essentially waiting for instructions from the Department of Education”.

These quotes illustrate a typical situation: the institution has the initiative, sees the value and is ready to move, but the process is blocked on the founder's side, because the founder itself is not methodologically ready or has not internally distributed responsibility to develop its own adaptation of the Model Regulation, approve it and launch the process across its subordinate institutions. It must also be acknowledged that at this early stage of supervisory-board creation, part of the system is caught between the lower and upper levels, because the transfer of powers from the MoES to the local level takes time. In such cases the most sensible decision for a VET institution is to prepare in advance and to understand the “pause” that arises at the local level not as an “obstacle” but as a period requiring a short wait.

3.2. What can be done at the level of recommendations to institutions, and what requires regulatory alignment

It is important to distinguish between two classes of issues. Some of the regulatory gaps flagged by VET institutions can be closed at the level of recommendations and methodological guidance without amending Order No. 1725. For instance, the delineation of powers between the board and the director can be operationalised through a roles matrix (see Block 2). The detailing of influence mechanisms – through meeting scenarios and standard decision formats (covered in Block 4). However, mechanisms for assessing effectiveness, financing the board's activities and compensating its organisational functions, and the personal responsibility of members – these are issues that require either an addendum to the Model Regulation or separate regulatory clarifications from the MoES and founders. In parallel – dedicated communication work with founders at oblast and city level, to activate their role immediately after powers are transferred from the MoES.

Communicating with business: what exactly we will discuss

The fourth level of barriers appears once an institution has an understanding of value, has found operational clarity in the formation process and has overcome regulatory hurdles at the founder's level. At this level the institution enters into a conversation with business and runs into the next question, to which it often has no ready answer: "What exactly are we going to do at meetings? What will the first-year agenda look like? What do we expect from business at each meeting, and what does business expect from us?"

This block is critical, because here the institution sells business not the idea of a supervisory board in the abstract (which it has already dealt with at the value level), but a concrete cooperation scenario: how many times a year we meet, in what format, what questions we put on the table, what preparation for a meeting looks like, how decisions are recorded, what we do with decisions after a meeting, and so on. Without such a scenario, even an institution that clearly understands the value of the board risks being met with the question "what exactly are we going to discuss there?" – and getting stuck on it.

In the two institutions that the sample records as active, the motivation of board members provides a useful reference. In both of them, members place the opportunity to influence the development of the institution and the community in first place. After that, each of the following factors is named by one of the institutions: access to potential employees and building a talent pipeline; personal value-driven engagement; professional reputation and status; expanded contacts and partnerships. This means that if a VET institution builds its conversation with business about "why join the board" around these four or five motives, it has a much greater chance of fitting into the real "motivational grid" of a potential board member than if it tries to offer abstract "cooperation".

One of the active institutions described its approach to engaging business in an open-ended response as follows:

"We convinced partners by shifting from requests for help to proposals for strategic partnership".

The second added a concrete practical piece of advice to institutions that are only just launching their boards:

"Do not be afraid of professional criticism from business. Pick reliable, capable, influential candidates".

4.1. The scenario for the supervisory board's first year

For VET institution–business communication to succeed at scale, and not only in those institutions where the director intuitively finds the right approach, a first-year scenario is needed – broadly, the first four meetings, with indicative themes and a logic of transition from one to the next. The format of such a scenario is not part of this report – like the details of process support, this product needs to be developed separately. But the logic on which it could be built follows from analysing what works in the two active institutions.

The first meeting is an inaugural one, at which the board gets to know the state of the institution, its strategic profile, its key training areas and the main challenges of the next one or two years. It is critically important here not to reduce the meeting to a “director’s report”: the format must be a dialogue in which the institution does not deliver a monologue but puts before the board specific open questions to which it is looking for answers. The outcome of the first meeting should be three or four priorities that the board and the institution jointly define as focal areas for the first year.

“A supervisory board only works effectively when there are clearly defined annual goals, key performance indicators (KPIs) and areas of responsibility – not as a formal advisory body. A coordinator/secretary from the institution is critical, ensuring the preparation of decisions and the day-to-day support of the board’s work. Without quick ‘first results’ the board risks losing momentum”.

The second and third meetings are working meetings, devoted to one or two of the priorities set at the first meeting. Here the format can follow the model proposed by one of the active institutions: “the institution and business jointly solve the problem of a shortage of specific skills”. The board does not react to a ready-made decision from the institution; it shapes its decision jointly with it. Between meetings there is working communication: the chair and/or secretary of the board stay in touch with members who need to prepare an expert position for the next meeting. This is what active-institution responses describe as “online communication between meetings” and “individual consultations”.

The fourth meeting is the end-of-year review. Here the board assesses which priorities have been delivered, which have not, why, and sets the agenda for the second year. It is critical that the results of the first year be articulated in a form suitable for external communication: the institution should be able to show – not only to itself but also to the founder, to potential new members and to the public – that the board is working.

4.2. The role of the coordinator or secretary of the board

A cross-cutting element that institutions themselves point to in several places is the role of a coordinator or secretary of the board on the VET institution’s side, responsible for preparing decisions, supporting the board’s work between meetings, communicating with members, document flow and so on. Without this role, even a strong board can lose momentum – not because members lack the will, but because their focus shifts to other priorities. The survey of active boards mentions this role: one of the institutions has a designated staff member who operationally supports the board’s work, although this is an additional workload without a separately allocated position. The regulatory framework does not yet formally describe this

role, and it is part of the regulatory gaps discussed in Block 3 – in particular, the question of compensating organisational functions.

4.3. Direction of action

So, to prevent the board from fading out after two or three meetings, VET institutions critically need a reference for the first year of work: a model agenda, a format for meetings, practices for managing work between them, scenarios for typical decisions. This resource should be the result of separate methodological work based on an in-depth analysis of the same two institutions where the board is already active, plus – if the right expert resources can be brought in – references to the practice of Ukrainian universities and similar VET systems in EU countries. Importantly: such a resource is not a regulatory document; it is a methodological reference that an institution adapts to its own context.



The human factor and the motivation of board members

The fifth and final block is about people. Everything described above creates the frame within which a supervisory board has the potential to be effective: an articulated value, operational clarity, regulatory consistency, a scenario for working with business. But within this frame it is real people who, every month or every quarter, spend their professional time preparing for meetings, attending them, communicating between meetings, and following up to ensure that the decisions taken are actually implemented. And the question on what basis these people are willing to spend this time is the final point at which even the best-designed frame either works or stalls.

5.1. The model that works without compensation

The data from active boards show that an unpaid model of supervisory board membership does exist in principle and has its own internal logic. It rests on a specific segment of business – companies for which sitting on a VET institution’s board is at once a socially valuable gesture (a contribution to the development of the vocational education system in the region, to building a talent pipeline for the sector, and so on) and a strategic investment tool (a way to influence the content of programmes and the quality of graduates with whom the company works directly, or plans to). The key condition is that these companies recognise this dual value and are willing to invest their time without demanding direct financial compensation.

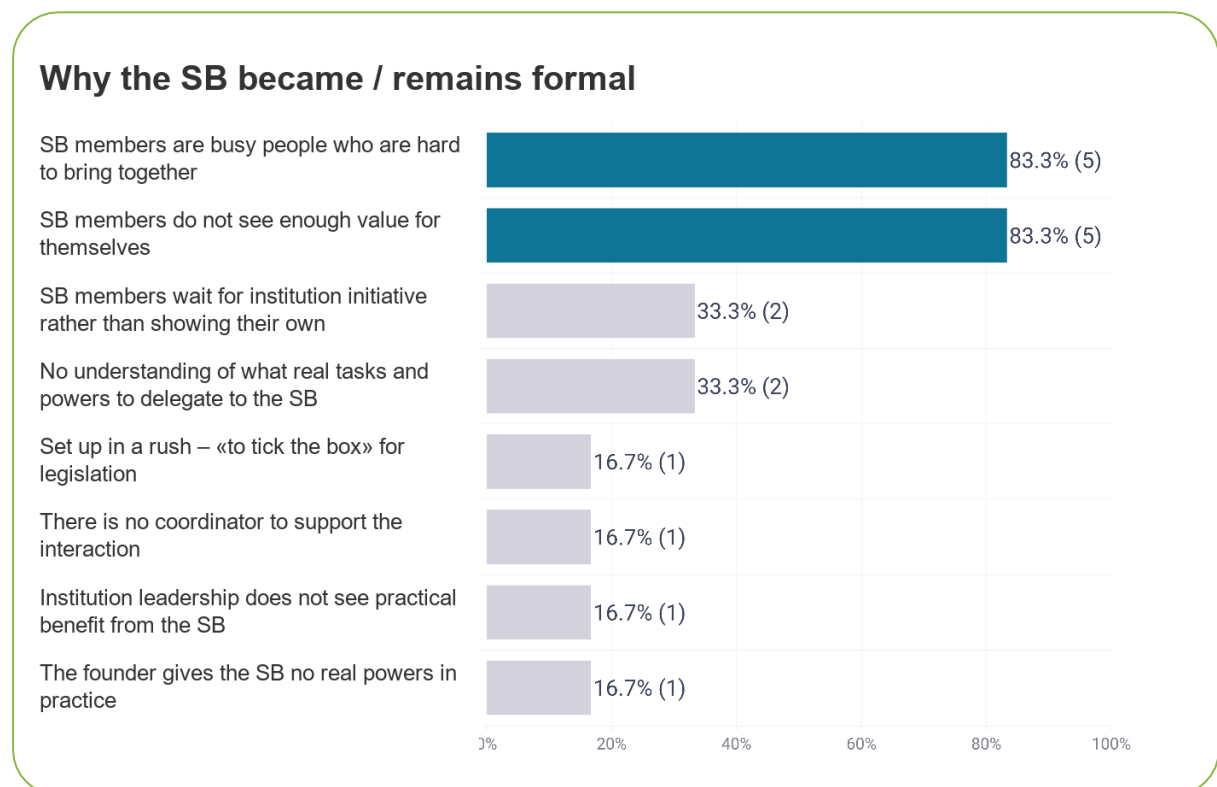
A direct quote from one of the active institutions on how business joined the board: “Business joined because it understood why the supervisory board makes sense”.

In practice this means that, at the early stages of launching supervisory boards in VET institutions, it makes sense to focus precisely on this segment – companies for which the “influence + building a talent pipeline + reputation of partnership” motivation is self-sufficient. The active-board survey shows that it is these three groups of motives that work: the opportunity to influence the development of the VET institution and the community; access to potential employees; and professional reputation and partner status. If an institution concentrates its communication on finding and persuading such companies, the unpaid model can work.

5.2. Where the unpaid model does not work

At the same time, it would be naïve to assume that this model will be self-sufficient in all cases and for all roles on the board. The six VET institutions where a board currently exists formally but does not work – in five cases out of six (83%) – point to two interrelated reasons for its

formality: “supervisory board members are busy people who are hard to bring together” and “members of the supervisory board do not see enough value in it for themselves”. This is the situation where the initial enthusiasm has worn off, the dual value has either not worked in practice or worked only weakly, and the effort – preparation for meetings, the time itself, operational activity between meetings – demands more than purely value-driven motivation can sustain.



Separately from this broader picture stands the question of the role of the chair of the board and especially the secretary of the board, which appears repeatedly in open-ended responses (in particular to the question “What is a barrier to the active and effective functioning of supervisory boards?”):

“The secretary of the supervisory board has substantial responsibilities. Who is going to perform this role? It is a position on a pro bono basis!”

“Ways and possibilities of financing material remuneration for the chair and secretary of the supervisory board”.

If the chair of the board is, as a rule, a person of high professional standing for whom the very status of chair is a substantial part of motivation, then the secretary of the board is an operational role that requires systematic attention, time and coordination work. It must be performed either by someone from inside the institution (an additional workload on a specific staff member) or by an external person. In both cases a fully volunteer model for this role often fails to hold up by the second or third year of the board’s work.

5.3. The question of compensation

From this, the discussion of minimum compensation for the chair and secretary of the board logically follows. This discussion is delicate because of one key counter-argument that cannot be ignored: in the same institution where supervisory board members might receive compensation, teachers receive salaries that are themselves often inadequate relative to their professional contribution. Creating a situation in which participation in an advisory body is paid better than the core pedagogical activity – which carries the main share of responsibility for the institution’s outcomes – risks a serious imbalance both in pay and in the motivation of staff.

A rational balance here probably consists of three rules. First – compensation, if foreseen, must be transparently capped: it compensates time and effort but is not a market rate for the work. Second – it should primarily cover operational roles (the secretary, and in some cases a coordinator between meetings), where value-driven motivation is objectively less resilient than that of board members who derive strategic influence and reputational benefit from their participation. Third – compensation must be regulated and transparently financed (by the founder, by grant resources from international technical assistance partners), rather than landing on the shoulders of an individual VET institution or a single business partner. This point directly echoes one of the regulatory gaps recorded in Block 3: the current framework does not provide for sources to cover such costs.

5.4. Direction of action

In practical terms, on the human factor there are two interrelated tasks. First – at the level of methodological support and communication products: help VET institutions properly segment business in the region and focus the first invitations to the board on companies for which the dual value motivation is self-sufficient. Second – at the level of regulatory and financial design: provide a framework for minimum compensation for operational roles, transparently capped and transparently financed, so that the sustainability of the board’s work does not depend on whether the institution’s director happened to find an enthusiast-secretary willing to take it on indefinitely.

Conclusions and directions for action

The system of forming supervisory boards in VET institutions is in a phase where the outcome of the next 12 months will determine whether this tool becomes a real mechanism for engaging business in the strategic management of the institution. 42% of VET institutions have not yet started the process; 41% are in the middle of it; 8% have a formally existing but inactive board; and only 3% have a board that genuinely works. 85% of VET institutions are aware of Order No. 1725. So the issue today is not a lack of legal basis or awareness of it, but five blocks in which VET institutions need direct support.

First block – understanding of value. 78% of VET institutions have no clear, articulated understanding of what exactly the supervisory board should give the institution and business. Three of the top four positions in the list of barriers to setting up a board are manifestations of this semantic vacuum.

Recommended action: a communication and methodological product that articulates the supervisory board as a function (strategic advisors, not controllers), with references to the successful Ukrainian experience of higher education institutions and a collection of cases from Ukrainian VET institutions where the board is already working and delivering value.

Responsibility: MoES in partnership with experts and international technical assistance providers.

Second block – the formation process. 60% of VET institutions that have not yet set up a board ask for document templates; 58% – for a step-by-step algorithm.

Recommended action: development and dissemination of a methodological package with templates of the regulation, the order, the agenda and the minutes, with a “board–director–founder” roles matrix and with a sequence of stages from initiative to the first meeting. Format: a methodological guide plus editable templates, plus (optionally) a network of facilitators/mentors accompanying institutions through the first year.

Responsibility: founders of VET institutions, MoES in partnership with experts and international technical assistance providers.

Third block – regulatory barriers. VET institutions identify five clusters of regulatory gaps: (1) mechanisms for the board to influence decisions taken by the institution and the founder; (2) mechanisms for assessing the effectiveness of the board’s work; (3) financing the board’s operational activity; (4) delineation of powers with the head of the institution; and (5) personal accountability of members. Separately – the low activity of founders at oblast and city level, leaving some VET institutions stuck in the state “we have the initiative, but the founder is not ready”.

Recommended action: refining the Model Regulation or developing separate supplementary methodological documents that close these gaps, and targeted work with founders at oblast and city level.

Responsibility: MoES at the level of regulatory refinement; founders at oblast level – at the level of their own methodological readiness.

Fourth block – communication with business and the operational model of the board’s work. VET institutions lack a first-year scenario – what the agenda is, how to run the first meeting, how to organise work between meetings, how to record decisions.

Recommended action: a methodological reference for the board’s first year of work, based on analysis of the active boards in the sample, the experience of Ukrainian universities and relevant EU/ETF/OECD practices.

Responsibility: an expert partnership (MoES, international partners, institutions with active boards as practice donors).

Fifth block – the human factor and motivation. The unpaid model works with the segment of companies ready to invest time in a dual value (social and strategic). For operational roles (primarily the secretary of the board, and in some cases a coordinator) this model often does not hold up beyond the second or third year.

Recommended action: in the short term – communication and methodological support to VET institutions on properly segmenting business; in the medium term – providing within the regulatory framework for transparent sources of financing for operational roles via the founder or partner programmes. An important balancing check: compensation must be symbolic and transparent, to avoid an imbalance with the salaries of pedagogical staff in the same institution.

Together, these five directions form an opening agenda for turning the existing legal framework (Order No. 1725) into mass practice of supervisory boards that genuinely influence the development of VET institutions in Ukraine. The two institutions in the sample that currently demonstrate a working board show that this is possible even under the current regulatory framework – if value, process, regulatory backdrop, business communication and motivation come together at the same time. The task at the system level is for these five components, in the months ahead, to stop coming together by accident and start coming together by design in all VET institutions that today either have no board or are in the process of setting one up. This does not guarantee that all supervisory boards will become active – some will still pass through a phase of formality. But it will substantially increase the share of active boards relative to formal ones. And it is precisely this share of genuinely working supervisory boards in the Ukrainian vocational education system, one, two and three years from now, that makes sense to look at as the key indicator of success of the managerial-autonomy reform of VET institutions.