



# TECHNICAL BRIEF

## Promising Practices in Youth Workforce Development: “The Seven Virtues”

**This paper presents an abbreviated set of promising practices for youth workforce development programs, based on the existing evidence.**

We distinguish between “technical and vocational training,” which is the educational process involving the study of technologies and related sciences and the acquisition of practical skills relating to occupations in various sectors (UNESCO & ILO, 2002), and “workforce development,” which encompasses the acquisition of a broader set of workforce readiness skills and competencies necessary for employment, such as ability to describe skills and interests, set career goals, work as part of a team, take direction, and other attributes (Education Development Center; 2012, p. 23).

While there is a limited set of evidence on the impact of youth workforce development programs, recent research suggests that workforce development programs comprised of a comprehensive, holistic set of services renders results in terms of entry into the labor market, increased earnings, and/or resilience in a dynamic jobs market (increased employability).<sup>i</sup> A recent USAID literature scan of 36 publicly available studies<sup>ii</sup> showed that the most successful comprehensive and multiple interventions included apprenticeship or on-the-job training, classroom vocational skills training, vouchers (for stipends, transportation, child care, etc.), and job matching or mediation. The services also targeted the development of life skills that were considered to be highly transferable workforce readiness skills.<sup>iii</sup>

Moreover, the research suggests that the benefits of these programs have been most experienced by female, low-income, at-risk, and out-of-school or minimally schooled youth. Betchermen, et. al. (2007) found that the programs targeting poor youth were most likely to be successful.<sup>iv</sup> Conversely, the impact of vocational training alone, particularly subsidized public sector employment programs, has not been evident.<sup>v</sup> With this limited set of research, USAID workforce development programs will incorporate the lessons from prior efforts,<sup>vii</sup> while also seeking to generate additional evidence in the efficacy of interventions. The major lessons are the following:

- 1) Provide Multiple Pathways for Learning & Employment.** Programs must distinguish between individuals seeking to enter the labor market as employees, those interested in self-employment, and those interested in returning to school; effective workforce development programs often provide multiple pathways for learners to seek continuing education, obtain formal employment, or start their own business. Oftentimes at-risk youth move between formal employment and self-employment or often maintain both. While some of the same skills are required for both, workforce readiness programs must be tailored specifically to the desired employment outcome of the learner. For instance, entrepreneurs require a range of other competencies and support services that are usually not provided through workforce readiness alone, such as access to financial services, mentoring, and market facilitation. Similarly, workforce preparedness for the formal labor market typically requires close collaboration with employers as well as a package of services including follow-on support (see below).

- 2) Ensure employer demand for skills.** Implementing partners should not assume that jobs exist for specific vocational skills simply because curricula exist for them. Assessing labor market demand and engaging with employers is a necessary starting point for ensuring that curricula are aligned with labor market needs. Many vocational curricula focus on foundational “hard skills” required for professional trades (e.g., carpentry, masonry, mechanics, cosmetology, tailoring). However, academic research and practical experience both show that “soft skills” (e.g., problem-solving, teamwork, customer service) are frequently more important to employers. Moreover, many labor markets show the most growth in service industries (e.g., hospitality, retail, food service, tourism), which are not addressed in many vocational curricula.
- 3) Favor apprenticeships and other applied learning methods, especially those that build “soft skills” in addition to technical skills.** Research shows that applied learning methods, such as internships and apprenticeships, are more effective than classroom learning for imparting workforce readiness and “soft skills,” ensuring students acquire skills favored by employers, and facilitating the networking and acquisition of tacit knowledge that make job-seekers successful in the labor market.<sup>viii</sup> In addition, short courses (4-6 months) are often more appropriate for young people than longer term (2-year) training. Class times may need to be adapted to meet the needs of female participants who often have domestic responsibilities. Program managers should favor training institutes that offer these types of flexible learning opportunities and actively seek to integrate these methods in any efforts to improve the quality of training institutes.
- 4) Offer ongoing follow-on support services tailored to the youth needs.** “Whether continuing for three months, six, or even eighteen, it is clear that young people starting their own enterprises, returning to school, seeking a job, or learning through an internship benefit from additional coaching or follow through from program staff and non-staff mentors.”<sup>ix</sup> Also known as “accompaniment,” this type of support is especially important for disadvantaged youth. While tailored to the specific youth cohort, accompaniment could include individual coaching and mentoring, establishing peer networks, job matching services, facilitating access to financial services, or market facilitation and brokerage services.
- 5) Engage a broad range of stakeholders, including specialized training providers and youth.** Building a strong network of local partners contributes to the sustainability of efforts. Providing quality vocational education aligned with the labor market is a specialized skill that should be delivered through specialized providers. Most countries have existing networks of public and private vocational training institutions that should be leveraged to increase access for vulnerable youth; there are rarely any compelling reasons for an implementing partner to deliver vocational training directly, and program managers should avoid these kinds of direct interventions. Individual scholarships are certainly one way of utilizing existing training providers; however, implementing partners should also consider more creative interventions to build sustainable and scalable access beyond the life of an individual project. Importantly, youth should be involved at all stages of project design, implementation, and evaluation. Other carefully chosen stakeholders could include government ministries, other international NGOs, donors, employers, and local partners such as Chambers of Commerce or the local community-based organizations that provide much of the education, training, and post training support. This type of systemic approach may create opportunity for scaling up of interventions at the community or national level in the long run.
- 6) Don’t assume that entrepreneurship training is an effective way to boost self-employment.** While some evidence suggests that entrepreneurship training can result in improved business knowledge, currently there is no evidence demonstrating that entrepreneurship training leads to business set-up and expansion or increased income.<sup>x</sup> Burgeoning research suggests that cash transfers may be a cost-effective mechanism for boosting incomes in conflict-affected environments, particularly among women.<sup>xi</sup> Qualitative research suggests that entrepreneurship training might be effective when coupled with other interventions such as value chain facilitation and entrepreneurial education, access to finance (loan facilitation and/or savings mobilization), linkages to business development services, extensive follow-on support, as well as cultivating a culture of entrepreneurship. Over the

past decade, research in microenterprise development suggests that firm-level performance is interdependent with industry competitiveness; that is to say, economic growth with poverty reduction does not happen solely through support to individual enterprises, but also by raising competitiveness at all levels of the value chain.<sup>xii</sup> In this regard, careful consideration of market systems must be taken when designing programs that aim to boost self-employment.

**7) Track results that matter.** While completion of training programs may be the easiest performance result to track and quantify, it is often the least important indicator of program success. Program managers should encourage implementing partners to develop performance monitoring plans that gauge outcomes such as student retention, job placement rate, employment status 6 months or more after completion, earnings, and both student and employer satisfaction. Periodic evaluation is necessary to determine efficacy of interventions. It is important that local training providers be equipped with the capacity to themselves measure, monitor, and evaluate the impact of their services.

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<sup>i</sup> Attanasio, O., Kugler, A., & Meghir, C. (2008). Training disadvantaged youth in Latin America: Evidence from a randomized trial. New York, NY: The National Bureau of Economic Research. Retrieved from <http://www.nber.org/papers/w13931>

<sup>ii</sup> USAID, May 2012. "Youth Policy and Learning Project: Briefing Paper: Examining the Evidence in Youth Workforce Development," Draft paper, version 3. Prepared by the Aguirre Division of JBS International, Inc.

<sup>iii</sup> Id., 5-6.

See also Alliance for International Youth Development: "Guiding Principles for International Youth Development," December 2013.

<sup>iv</sup> USAID, May 2012. "Youth Policy and Learning Project: Briefing Paper: Examining the Evidence in Youth Workforce Development," Draft paper, version 3. Prepared by the Aguirre Division of JBS International, Inc., 8.

Blattman, C., Fiala, N., & Martinez, S. (2011). Employment generation in rural Africa: Mid-term results from an experimental evaluation of the Youth Opportunities Program in Northern Uganda. New Haven, CT: Innovations for Poverty Action. Retrieved from [http://www-wds.worldbank.org/servlet/main?menuPK=64187510&pagePK=64193027&piPK=64187937&theSitePK=523679&entityID=000333037\\_20120210005321](http://www-wds.worldbank.org/servlet/main?menuPK=64187510&pagePK=64193027&piPK=64187937&theSitePK=523679&entityID=000333037_20120210005321)

Card, D., Kluve, J. & Weber, A. (2009) Active labor market policy evaluations: A meta-analysis (Discussion paper # 4002). Bonn, Germany: IZA. Retrieved from <http://www.politiqnessociales.net/IMG/pdf/dp4002.pdf>

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Nopo, H., Robles, M. & Saavedra, J. (2007) Occupational training to reduce gender segregation: The impacts of Projovent. New York, NY: IADB. Retrieved from <http://idbdocs.iadb.org/wsdocs/getdocument.aspx?docnum=1179634>

For a complete literature review of the evidence, see also: USAID, May 2012. "Youth Policy and Learning Project: Briefing Paper: Examining the Evidence in Youth Workforce Development," Draft paper, version 3. Prepared by the Aguirre Division of JBS International, Inc., 5-6.

Card, David, Pablo Ibararán, Fernando Regalia, David Rosas-Shady, and Yuri Soares. 2011. "The Labor Market Impacts of Youth Training in the Dominican Republic." *Journal of Labor Economics*, 29(2): 267-300.

Janice Tripney, Jorge Garcia Hombrados, Mark Newman, Kimberly Hovish, Chris Brown, Katarzyna T. Steinka-Fry, Eric Wilkey. (2013) "Post-Basic Technical and Vocational Education and Training (TVET) Interventions to Improve Employability and Employment of TVET Graduates in Low- and Middle-income Countries: A Systematic Review," <http://campbellcollaboration.org/lib/project/227/>

<sup>v</sup> LaLonde, Robert J. 1995. "The Promise of Public Sector-Sponsored Training Programs." *Journal of Economic Perspectives*, 9(2): 149-68.

<sup>vi</sup> Card, D., Kluve, J. & Weber, A. (2009) Active labor market policy evaluations: A meta-analysis (Discussion paper # 4002). Bonn, Germany: IZA. Retrieved from <http://www.politiqnessociales.net/IMG/pdf/dp4002.pdf>

<sup>vii</sup> For additional details on lessons learned in youth workforce development, see: USAID EQUIP 3, "Youth Learning and Earning: Lessons about Livelihood, Literacy and Belonging from Youth Programs in Twenty-six Countries: An EQUIP 3 Retrospective Study."

<sup>viii</sup> See Monk, C., Sandefur, J. & Teal, F. (2008) Does doing an apprenticeship pay off? Evidence from Ghana (Recoup working paper #12). United Kingdom: DFID and the University of Cambridge. Retrieved from [http://www.iza.org/conference\\_files/ELMPDC2009/teal\\_f2726.pdf](http://www.iza.org/conference_files/ELMPDC2009/teal_f2726.pdf)

<sup>ix</sup> USAID EQUIP 3, "Youth Learning and Earning: Lessons about Livelihood, Literacy and Belonging from Youth Programs in Twenty-six Countries: An EQUIP 3 Retrospective Study," 16.

<sup>x</sup> Cho, Yoonyoung and Maddalena Honorati. Entrepreneurship Programs in Developing Countries: A Meta Regression Analysis. The World Bank Human Development Network Social protection and Labor Unit: April 2013 [http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2013/04/08/000158349\\_20130408114918/Rendered/PDF/wps6402.pdf](http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2013/04/08/000158349_20130408114918/Rendered/PDF/wps6402.pdf)

<sup>xi</sup> Blattman, Christopher, Natha Fiala, Sebastian Martinez. Generating Skilled Self-Employment in Developing Countries: Experimental Evidence from Uganda. (2013) *Quarterly Journal of Economics*: Forthcoming. [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2268552](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2268552)

<sup>xii</sup> See USAID Microlinks "Overview of the Value Chain Approach" <http://www.microlinks.org/good-practice-center/value-chain-wiki/overview-value-chain-approach>