

Youth Employment: Case Studies



Executive Summary
Case Study Work 2007

CHALLENGE AND OPPORTUNITY

Young people are the world's most precious resource. They provide a fresh vision, leadership and critical problem-solving perspectives to some of the world's most intractable challenges. Building pathways to a sustainable future for the world's young people requires tapping the vision and skills of young people themselves and a consistent investment of inspired adult partners. It requires a steady commitment of institutions that further youth development and an engagement of economic and political systems that depend on the labor and leadership of young adults. Collectively, these stakeholders are capable of creating and sustaining a set of opportunities that will enable each young person to develop to his or her fullest potential.

For the majority of the world's young people, the ability to make a successful transition to employment and livelihood represents the single most predictable determinant of their long-term success in achieving personal and economic self-sufficiency. Finding meaningful, decent work provides young people with the opportunity to test and hone their problem-solving skills and to develop a robust sense of their capacity to affect the conditions of the world around them. The sad reality today is that increasing numbers of young people are not given access to tools and support to successfully navigate this transition to work. This failure starves the world of necessary responses to the global employment challenge, a deficit that has grown significantly in scale, with the weight of the burden falling disproportionately on young people.

Over the next decade, the International Labour Organization (ILO) expects that more than one billion young people will enter the global labor market. Some labor experts predict, however, that based on current trends only

about 300 million *new* jobs are likely to be created during this same period. The gap between global youth labor supply and actual labor market demand presents a great challenge for developing countries in particular. Nearly 85 percent of job seekers will live in the developing world where youth unemployment and under-employment rates are the highest rates on record and where young people are more than four times as likely to be unemployed as older workers.

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ImagineNations™ Group and its partners support the development of comprehensive and scalable youth investment systems that address the barriers unemployed young people face. Lack of opportunity and marginalization from the economic mainstream can lead to frustration and loss of hope among youth, resulting in a continuing cycle of poverty, along with economic, social and political unrest. ImagineNations believes these challenges will not be met by *status quo* approaches that reach only a few hundred or even a few thousand young people. Taking effective approaches to scale in ways that are sustainable is vitally important. Simply doing more of what many good organizations are currently doing will not by itself turn the tide or change the odds.

The task at hand requires a fundamental understanding that the problem cannot be solved in isolation and requires the engagement of diverse stakeholders who are able to offer different inputs, experience and knowledge that can then be woven together into workable solutions. Most importantly, it will require leaders who do not see young people as problems to be solved but rather as *problem-solvers*, leaders who are imbued with an unshakable faith in each young person’s ability to make essential, lasting and productive contributions to his or her society.

IMAGINATIONS' PERSPECTIVE

ImagineNations Group recognizes that the daunting challenge of youth unemployment requires systemic changes at both global and national levels. The scale and complexity of the challenge requires a coordinated multisectoral response. ImagineNations is building an alliance of companies, NGOs, policy makers, social entrepreneurs and private investors, that are working together to create comprehensive strategies focused on sustainable and scaled investments in youth with an emphasis on investing in adolescent girls and young women. Through the coordinated work of this alliance, ImagineNations seeks to increase understanding of and investment in youth employment and enterprise development and to empower young people to realize their potential.

While there are many ways to dissect and frame the youth employment challenge, ImagineNations sees it as a two-sided “mountain” one side heavily loaded with a wide variety of training and employability-oriented initiatives and the other side relatively sparse with too little access to jobs, livelihood, capital, apprenticeships, internships and other forms of economic attachment. The existing “employability programs” assist a wide range of young people in learning life skills, vocational and technical skills, ICT and other training with the intention of equipping them for employment and/or entrepreneurship on the other side of the mountain. Literally thousands of organizations and training programs exist, targeting a wide range of youth, including those who have left school early (before acquiring basic literacy and numeracy skills), secondary school graduates and even college graduates. This describes what ImagineNations sees as the “front side of the mountain” of the youth employment picture.

The “back side of the mountain” consists of the economic landscape into which young people then enter – looking for work, employment and livelihood. ImagineNations is concentrated on helping to build out this side of the mountain, by increasing access to jobs, capital, coaching and markets.

The current youth unemployment landscape in many of the world’s developing nations reflects a consistent set of challenges that can only be addressed through a comprehensive approach – one that simultaneously addresses both sides of the mountain – by improving the quality and market-orientation of training programs, while also addressing policy issues, increasing access to various forms of capital and business development services, removing structural barriers and creating new linkages to markets.

ImagineNations’ global strategy builds on the experience of large-scale youth employment models around the world. Examples of initiatives in South Africa (*Umsobomvu Youth Fund – UYF*), China (*All-China Youth Federation – ACYF*) and Bangladesh (*BRAC*) have been vetted and selected by ImagineNations as examples of the kind of comprehensive, systemic, sustainable and scaled approaches it believes are necessary to begin addressing the magnitude of the youth unemployment challenge. ImagineNations has entered into learning partnerships with each of these initiatives to develop in-depth case studies that provide tangible and inspiring examples of livelihood and employment schemes operating at scale and to highlight the potential for investing in youth enterprise. Each case study discusses historic and unprecedented investments in youth within each nation, as well as innovations in programs and practice in employment, entrepreneurship training and microfinance. ImagineNations continues to seek out similar learning partners to build an ever widening network and to leverage greater investments in youth employment efforts.

The purpose of this learning effort is to spur action – based on “real-life” practical examples of success – among governments, private sector investors, multilateral organizations and NGOs. Specifically, ImagineNations is creating a network of large-scale youth investment funds to support the development of comprehensive and sustainable youth employment and enterprise development systems. These systems include credit and savings instruments, support of tailored business development services for youth, comprehensive skills training programs and access for young people to market opportunities. The case studies identify emerging themes, effective practices, promising innovations and collective wisdom that point a way toward comprehensive strategies for unleashing the economic potential of the world’s unemployed young people.

SELECTION CONSIDERATIONS FOR CASE STUDIES

The initial three case study organizations were chosen as learning partners of ImagineNations because they represent a common vision for overcoming the challenges of youth unemployment and because they are:

1. **comprehensive** in their responses to the employment needs of young people;
2. operating at **scale** at a national level;
3. working to achieve or have achieved financial and programmatic **sustainability**; and
4. achieving high levels of **effectiveness in** meeting their goals.

ImagineNations' position is that **comprehensive** approaches to youth development are essential for maximum levels of effectiveness and long-term impact. When applied to the case studies and ImagineNations' perspective, comprehensiveness is defined in a number of ways. First, it infers that *multifaceted engagement* (via programs and policies) with individual young people exists, that it responds to their social, emotional, academic, physical, training and financial needs, and that there are *multiple entry and exit points* through which young people can become engaged within the comprehensive system. Secondly, the components of the system are *well articulated*, i.e., the ways in which the pieces of the system fit together and can be differently accessed are apparent to users of the system. Finally, the components of the system respond to a comprehensive range of young people within society (e.g., unemployed college educated, unemployed high school students and unemployed minimally schooled or out-of-school youth).

ImagineNations defines **scale** as achieving a *proportionally significant impact on a given target population within a specified geographic area*. To begin to make a dent in youth unemployment, ImagineNations is learning from organizations that have achieved scale, and it is working to help build initiatives in other countries that also have the capacity to work at scale.

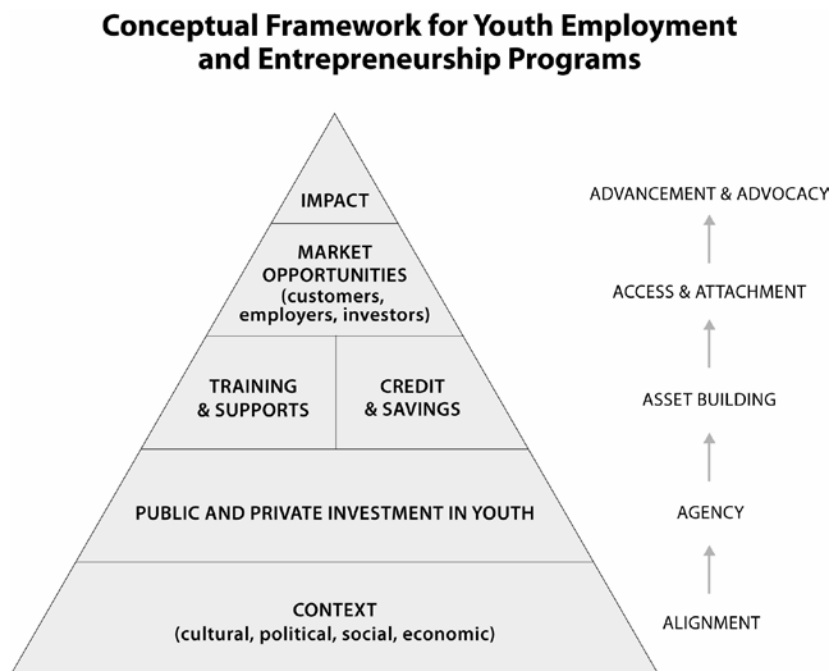
For any program to achieve such scale in a sustainable way, it should of course first and foremost be **effective** in reaching its program goals. Effective programming is often achieved with a continual process of careful program design, implementation, assessment and re-evaluation.

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EMERGING CONCEPTUAL FRAMEWORK TO SUPPORT LARGE-SCALE INVESTMENT IN YOUTH

From the case study research, ImagineNations has produced a conceptual framework (see Figure 1) to explain the conditions, processes, resources and agents necessary for sustained and effectively scaled strategies that increase access to capital, provide essential training and supports, and generate enterprise and employment opportunities for young people in a comprehensive way. The framework encompasses six building blocks – context, investment, training and supports, credit and savings, market opportunities, and impact – that build progressively toward positive outcomes for both the participating young people and for society at large. These six components are further defined by corresponding processes – alignment, agency, asset building, access, attachment and advancement – that govern activity related to each component. The processes are the actions required to ensure that youth employment and entrepreneurship programs are oriented for success.

FIGURE 1:



Context (Alignment)

Many societal factors can help or hinder efforts to engage young people in economic activity. Attitudes toward youth and work, gender roles, corruption, perceptions of small business owners, legal, regulatory and administrative frameworks, banking laws, labor market needs, education policy, family structures, poverty, conflict and so on, all influence employment opportunities for young people. Therefore, *alignment* with the political, cultural, economic and social context is usually essential for the long-term relevance and success of youth engagement programs, especially those seeking to improve the economic standing of young people.

A deep grounding in the context of national and local concerns ensures youth employment and enterprise development are well prioritized by governments, investors or development organizations and supports them in their efforts to be sustainable and achieve scale. For example, UYF, operating in South Africa's young democracy, is guided by principles of equalizing historic inequalities, citizenship education, neighborhood revitalization and economic empowerment. Bangladesh's BRAC ELA program operates within a poverty reduction framework that aims fundamentally to empower adolescent girls and young women and to increase the financial security of those families. And, China's ACYF youth employment campaign is driven by a mandate from the government to better engage young people in the economy.

Alignment with the operating context is determined fundamentally by the strength and orientation of national policies toward young people, education, employment, banking and small business development. Integrated policies, those that are guided by a national mandate or a strong ministry and are incorporated into the policies and programs of ministries throughout the government, allow for highly aligned youth employment and entrepreneurship programs that can coordinate with public education, leverage public resources, and garner much greater interest and investment from the private sector. This being said, alignment with existing policies is not always the goal, particularly when those existing policies are detrimental to positive youth development. For example, while the case study organizations are to some extent aligned with existing national policies, they also see themselves as responsible for driving change in their respective existing political, policy, program and investment environments when the needs and positive development of young people are not being met.

Public and Private Investment in Youth (Agency)

ImagineNations developed these case studies to provide evidence of the benefits from large scale initiatives that engage a wide range of stakeholders across many sectors. Within the ImagineNations' framework, *agency* is the process of mobilizing and coordinating existing resources, infrastructure and stakeholders in a response to youth. The societal agents such as governments, investors, donors, industry associations and multilateral organizations must all be invited into the strategy. Collectively, they bring the resources, authority, capacity and expertise to affect national level economic systems. Such cross-sectoral partnerships are the instruments that give agency to large scale, sustainable initiatives, and they lay the groundwork for connecting young workers and entrepreneurs with market opportunities. Public and private investment sets in motion the resources for national youth employment efforts.

Training and Support (Asset Building)

Comprehensive, targeted training and other supports are key components of successful youth employment programs. Education, training, counseling, mentoring and other support can promote positive youth development and equip young people with the essential assets required for success in work as either an employee or an entrepreneur. The training needs of young people demand a multifaceted approach that includes life skills, basic education and technical skills responding to a wide range of needs. Employment training for today's economy also demands a focus on teaching transferable and market oriented skills (e.g., business planning, budgeting, comprehension of technology, customer service) that enable

young workers to respond to emerging opportunities and changing markets. For entrepreneurship programs, technical skills training must focus first on motivating and inspiring young people to understand and pursue business start-up options and then provide training in financial management, business planning, marketing and other business activities.

Mentors or “Coaches” in various forms and configurations are an essential support in youth employment programs, particularly in enterprise development. Entrepreneurship is best learned from the direct experience of planning, managing and sustaining one’s own business, but such an experience can be less successful for a young person who has not been mentored by a seasoned business professional or a practiced same-age peer (BRAC’s model) who can offer sustained, practical advice, encouragement and support.

Credit and Savings (Asset Building)

Barriers to credit and savings are significant obstacles to youth employment, enterprise development and productivity. Education, training, counseling, mentoring and other supports must be accompanied by the building of financial *assets* through credit and savings. Moreover, successful economic strategies for youth rest largely on acquiring tangible *assets* that both ensure basic economic stability and allow for investment in education, business or property. A significant lesson from the case studies is the importance of developing effective lending products for youth so that young people do not get in over their heads financially. Both UYF and ACYF offer graduated loan products that match the age, capabilities, education, experience and/or progress of young entrepreneurs. In Bangladesh, BRAC is primarily focused on teaching the value of the practice of saving since savings help to elevate the bargaining power of young females within their families, communities and society.

Market Opportunities (Access and Attachment)

A common barrier to the economic viability of young people is their extremely limited access to market opportunities. Weak social networks, negative stereotypes, transience, discrimination, lack of skills and limited work experience conspire to prevent many young people from gaining access to economic opportunities. Youth need access to prospective customers, employers and investors. The organizations profiled recognize that an important role of youth programs is to

facilitate this access and to build a bridge to opportunities. Once access is gained, positive attachments must be established through relationship building, positive experiences, mentors, internships, job shadowing and other activities that increase familiarity, understanding and trust between youth and the people, organizations and networks that can make opportunities available to them.

Success in *access and attachment* to market opportunities is a vital component of any youth employment program. It is the lever by which the program alignment, investment in youth, asset building and supports lift a young person from merely being a participant in a program to being in the market place as a new employee or an entrepreneur. In programs such as UYF, this transition occurs over time, beginning with career exploration, business planning, internships, job shadowing, networking and mentorship. It is partly the task of the program to prepare public and private sector program partners for the transition of the young people into the marketplace. BRAC has established the ELA program to operate within villages where community members serve as the market for the goods and services the young entrepreneurs provide.

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Impact

The real measure of program impact and effectiveness is the extent to which the priorities of the program are met and contribute to the positive development of young people. Both UYF and BRAC have proven to be successful in meeting their program goals and in changing the lives of young people in South Africa and Bangladesh for the better, respectively. Both programs have relied heavily on impact data from pilot work to then aggressively scale up their work.

A lesson learned from all three case study organizations is the challenge of and critical need for a well-developed impact assessment strategy. Although there is much talk in the world about the need

for program evaluation, it is probably fair to say that *Monitoring* and *Evaluation* are still relatively new to and underdeveloped in the youth field, especially in developing economies where funding streams are often limited. Even so, both UYF and BRAC have invested significant resources in building their capacity to capture, learn from and mobilize knowledge. By designing and implementing high quality impact assessments, these organizations are better able to elevate their impact and effectiveness. They serve as examples to other organizations attempting to document and assess their impact and outcomes.

Concluding Remarks

The case studies provide ImagineNations and its network of partners with invaluable information as they assist governments and organizations in building large-scale youth employment and enterprise development systems across a variety of countries and regions. The case studies and ImagineNations' partnership with the learning organizations serve to guide and frame the work of ImagineNations and its Training and Consulting System, in providing consultancy, training services and curriculum resources to governments, MFIs, commercial banks and other organizations engaged in building youth employment and enterprise development efforts at scale. In addition, the Training and Consulting System draws upon similar resources from international development organizations and other country-specific indigenous organizations.

Samples of the case studies are available upon request from ImagineNations Group and are posted on the ImagineNations Web site, www.imagenations.org.

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