ANNEX D: EEA Indonesia Evaluation Report



CONTENTS

Executive Summary	3
Section I: Introduction	6
Section II: YEEI Results Framework	11
Section III: Findings and Analysis of Program Achievements	ng
Section IV: Challenges, Lessons Learned and Recommendations	39
FIGURES	
Figure 1: Youth Unemployment Rates in Select Asian Countries Figure 2: Seed Funds and Leverage Contributions. Figure 3: Inventory of In-kind Leverage Resources. Figure 4: Typology of YEEI Partners and Leverage Contributions. Figure 5: Sustainability Status of YEEI Projects. Figure 6: Project-level Costs. Figure 7: Alliance Building and Program Support Costs Figure 8: Number of Direct and Indirect Beneficiaries Figure 9: Direct Beneficiaries (Participated and Completed) by Gender and against Targets Figure 10: Program Graduates by Gender and Region Figure 11: Participants - Target vs. Achieved Figure 12: Program Graduates by Region Figure 13: Level of Change in Youth's Self-confidence Figure 14: Youth Satisfaction with YEEI Employment Training	13 14 18 20 23 24 25 25 27
Figure 15: Youth Satisfaction with YEEI Entrepreneurship Training. Figure 16: Numbers and Rates of Graduates Employed and Self-Employed Against Targets	28 31 33 34
ANNEXES	
Annex A: Summary of YEEI Projects	

Executive Summary

Rising unemployment among today's youth is a pressing global challenge. Among the most at-risk are youth in Southeast Asia, who are generally five times more likely than adults to be unemployed. In Indonesia, six million youth — nearly one in three — are unemployed - and these youth face enormous challenges as they attempt to enter the workforce, due to a weak support system that is frequently unable to help them either gain employability skills or launch their own businesses. In response to these challenges, EEA's program in Indonesia, locally branded as the Youth Employment and Entrepreneurship Initiative (YEEI), was launched in June 2006 to establish a multi-sector group of public and private sector leaders who would work together to prepare underserved youth in Indonesia to become productive employees and entrepreneurs. It was intended to support five to six innovative workforce development activities, and help at least sixty percent of youth trained get jobs. Similarly, it aimed to have at least fifty percent of youth provided with entrepreneurship training successfully launch their own enterprises. In turn, this summative evaluation, consistent with overall EEA global evaluation protocols, assessed the following: 1) the overall value and utility of the alliance building approach used by YEEI; 2) the effect of YEEI on direct beneficiaries; and 3) the indirect effect of the program on families and communities of youth. Nearly 300 youth, 22 employers, and 16 alliance partners participated in the study through surveys, interviews, and focus group discussions.

Part I: Overall Value and Utility of the Alliance Building Approach

The evaluation study finds that YEEI was effective in forging meaningful public-private alliances which were critical in generating new leverage resources to support and expand program, and to drive a partnership model that would engender greater innovation and broader support among relevant stakeholders. Having overcome challenges during its initial trust-building and negotiation phase, YEEI partnered with 65 public-private entities during the course of the program, including local and multinational corporations, non-governmental organizations (NGOs), and local governments which have together supported eleven projects benefitting youth. The leverage requirement has encouraged lead implementing partners to look for corporate and NGO partners they would not have otherwise have found and this focused effort has brought forward a 2:1 leverage ratio against program seed funds, and generated nearly \$1.3 million in leverage contributions.

Interviews undertaken as part of this evaluation indicate that a robust process put in place for the Board and alliance participation proved to be valuable in encouraging public-private sector collaboration, which in turn increased perceptions of overall program quality and local ownership. In this regard, findings suggest that the adherence to alliance protocols encouraged active participation from the private sector and meaningful collaboration between NGOs and businesses resulting in strengthened capacity of NGOs to implement alliance-based projects and strong job placement rates. Most fundamentally, even though YEEI has ended, a number of local alliances generated through the program are continuing to provide support to newly created businesses, graduates who are employed across Java, and in some cases, phase two of the projects.

The Alliance building experience, however, was not without challenges. While in a macro sense, alliances generated seem to yield valuable benefits, the process of Alliance development for partners can appear unwieldy and challenging. For example, while YEEI was effective in attracting local businesses, USAID due diligence protocols for prospective company partners needed to be undertaken for over thirty corporations, which in turn caused delays and likely affected the reach of some projects because of the need to shorten program durations. Additionally, some partners expressed their reservations about implementing similar alliance projects in the future because the complexities involved, such as the need to take a participatory approach in design; to invest more time and resources in engaging a broad segment of partners with a broad diversity of experience in such efforts; to focus consistently on finding new leverage contributions, and to negotiate with various parties in the case of conflicts. Such efforts, in addition to the rigorous financial and program management standards put forward by USAID, IYF and the Alliance Steering Committee, often left partners somewhat overwhelmed. In the end, however, the benefits of developing such alliances in support of programs are noteworthy in terms of generating new resources, ensuring local ownership and helping to promote a holistic approach to program design. As such, our findings here suggest that new efforts in the area of alliance building should focus on ensuring refined operational protocols for program design, approval and implementation through alliance structures and also a more realistic understanding of the "alliance management" component of activities as projects are designed and budgeted.

Part II: Effectiveness of the YEEI Program

Surveys conducted through this evaluation found that the program overall was able to provide quality employability skills training to underprivileged youth groups including orphans, street and rural youth. Through three intervention types (integrated employability, entrepreneurship, and life skills projects), YEEI benefitted a total of 13,718 people of whom 13,202 are direct youth beneficiaries and 516 are indirect beneficiaries who have taken additional jobs created. Of 13,202 direct beneficiaries, 5,547 participated in an average of six-month integrated employability skills training and 7,655 participated in a two-day life skills training.

An aggregated 1,286 youth were determined to be eligible and ready for salaried or self-employment. Of these, 1,074 youth (or 84% of those ready or eligible for work) have been placed in jobs or set up small businesses within the six months of completion. As detailed in the sections below, the quality and relevance of training was rated high by graduates who also provided suggestions to further strengthen the program. Suggestions included longer training periods for select projects, improving training materials, and the need to continue providing follow-up support to those who have started their jobs or enterprises. The study also finds substantial improvements in capabilities of graduates in both technical and life skills based on triangulation results. However, it is also noted that the partners' use of different life skills curricula made it difficult to systematically measure learning outcomes.

Effectiveness of Employment Projects and Employer Satisfaction: YEEI has successfully placed 714 youth or 84% of 850 vocational skills training graduates who were eligible to get jobs. This represents 88% of the original employment target of 810 youth to be placed in jobs. The study finds that its job placement successes can be attributed to the following factors, each relevant to an alliance based program with rigorous focus on inclusion of the private sector in particular: 1) Industrial knowledge of implementing partners; 2) Ability to respond to local markets by conducting high quality and relevant training (combining technical, life skills, equivalency education, and on-the-job training) followed by job placement services and follow-up support; 3) Ability to develop and sustain good partnerships with local businesses, and involve them in curriculum review, internship and job opportunities; and 4) Fostering a culture of working effectively and collegially. Strong findings are particularly seen in the reaction of employers to graduates. More than half of the employers interviewed stated that YEEI graduates are "much better" than other graduates from similar backgrounds. Several employers also mentioned that YEEI graduates exhibit strong technical skills, work ethic, and willingness to learn. Over ninety percent of employers felt that YEEI was able to provide qualified graduates for the business sector, thereby closing the gap between employers' needs and employees' qualifications. Suggestions include further strengthening technical and communication skills of some graduates and familiarity with more sophisticated equipment.

Effectiveness of Entrepreneurship Projects: YEEI enabled 360 youth or 83% of 436 entrepreneurship training graduates to successfully launch and sustain their own businesses. This represents ninety percent of the original self-employment target of 399 youth to become entrepreneurs and establish small businesses. Our study finds that YEEI at first struggled to implement entrepreneurship projects due to cultural norms, external shocks (natural disasters and sharp increase in consumer prices) and local capacity issues. The study also finds that the following remedial actions helped YEEI overcome these challenges and contributed to the success of newly established businesses run by 360 youth: 1) Providing substantial mentoring support throughout the project and strategically using the power of alliance to help young entrepreneurs stay motivated and focused; 2) Mobilizing additional resources to counterbalance the shocks and reinstate project activities; and 3) Hiring business coaches to strengthen and sustain businesses that were in precarious situations. More generally, the assessment has concluded that youth businesses met and surpassed benchmarks established such as production and sales, maintaining an appropriate bookkeeping system, making profits, and sustaining after six months of establishment.

Part III: Positive Indirect Effect on Families and Communities of Youth

The study also shows that YEEI demonstrated to have positive if indirect effects on families and communities of youth served. Using new incomes, graduates are financially helping their parents, siblings, and spouses/children for daily consumption needs, education, and health expenses. They are also saving part of their income for future investments, business expansions, and as emergency funds. More than half of the graduates surveyed reported that their financial support helped improve the financial and social situations of their families. YEEI-supported enterprises have also created 516 additional jobs that have generated primary or secondary incomes for the communities of youth.

Lessons Learned and Recommendations

Building and Reinforcing Alliances: Establishing a robust process for Board and Alliance participation proved to be worthwhile as it positively contributed to the program quality and effectiveness. However, it also demanded considerable resources in terms of time and human resources for coordination, negotiation and sometimes conflict resolution. This relatively new and intensive process of building and reinforcing alliances overwhelmed some Indonesian NGO partners, with some suggesting that the alliance process was too difficult compared to traditional development projects. Additionally, in terms of engaging the private sector, YEEI's ability to engage local businesses for program design and employment support is crucial for the program success. Having potential employers review the curriculum and giving them access to graduates have resulted in the delivery of demand-driven training, high employer satisfaction and job placement rates.

As such, recommendations are as follows:

- Provide strong capacity building support to local staff at secretariats and within implementing partners on how to forge and reinforce vibrant alliances in appropriate cultural contexts. Knowledge transfer to local staff helps promote the scalability and sustainability of alliance-based projects. Dedicate sufficient program management support staff to fill the various roles that alliance programs demand.
- Clearly define and ensure a reasonably even distribution of roles and responsibilities of each alliance member. Establish mechanisms to hold each other accountable and responsible throughout the project.
- Develop alliances based on mutual respect and understanding. Leverage local cultural approaches that encourage caring for and partnering with local communities to achieve social good.
- Find innovative ways to mobilize and recruit the private sector. Tap into their knowledge and expertise beyond financial resources and involve them in curriculum design and pilot activities.
- Give the private sector access to program graduates for internships and job opportunities. Ask for regular feedback regarding the performance of graduates and improve the quality and relevance of the training.

Implementing Effective Alliance-Driven Employability Programs: YEEI's approach to review initial concept notes and co-create projects with local NGOs and sometimes community development experts worked well. Involving all stakeholders in the design and implementation stages encouraged local implementers to take ownership and also helped increase program effectiveness. Furthermore, YEEI's strategy to design and provide tailored comprehensive skills training based on the needs of youth contributed to youth making a successful transition into the labor market. Regular feedback meetings with internship providers were helpful to improve youth's performance and increase their chances of getting jobs. YEEI has learned that providing follow-up post-training support to youth is critical, and the YEEI projects that provided follow-up counseling support produced better results.

Recommendations are as follows:

- Engage all key stakeholders during the design stage particularly training providers, prospective employers and local experts to increase the quality, relevance and effectiveness of the training.
- Tailor comprehensive skills training activities based on local needs, followed by internships, job placement and post-training support. Integrate follow-up support as a key component of program designs and provide the follow-up counseling support at least for the first six months as youth enter the labor market. This can also help correct cases of skills mismatches.
- Engage youth in meaningful ways. Solicit feedback and consult with them on a regular basis to ensure programs are relevant to them and address the reality of their educational experience, capabilities, family and community constraints, and other issues of importance in ensuring quality training and successful outcomes.

A. Evaluation Objectives, Design and Methodology

This evaluation study aims to assess the following: 1) overall value and utility of the EEA alliance approach; 2) YEEI's program effect on direct beneficiaries focusing on skills acquisitions and change in employment status; and 3) indirect effect on beneficiaries' families and communities. The country evaluation team was led by Muchlis Ali, a former USAID employee who served as the M&E consultant for EEA Indonesia, with support from Delly Paramita (IBL Senior Program Officer), Arfandi Rifai (IBL Finance Officer) and Lin Lin Aung (IYF Program Manager). A local survey assistant was also hired to help with data entry, aggregation and analysis using Survey *Monkey* software.

YEEI initiated its country-specific summative evaluation process in October 2008 by adapting the EEA's globally evaluation framework that included standard outcome indicators, information gathering tools and protocols. Three information gathering instruments - surveys, interviews and focus group discussions (FGDs) – were used to gather the necessary data. A total of five surveys were developed and tested for various stakeholders:

- A youth follow-up survey to measure the quality and relevance of skills training, effectiveness of job placement strategies or sustainability/viability of new enterprises, and indirect effect on their families and communities
- An employer survey to assess their satisfaction with EEA training programs
- Three surveys for implementing partners, alliance members and Secretariats to assess the overall utility and effectiveness of the EEA alliance approach

This summative evaluation is built upon interim evaluations conducted in the summer of 2008. Nearly 300 youth, 22 employers, nine implementing partners, and seven alliance partners participated in the overall evaluation. In addition to three projects assessed during interim evaluation, the team visited seven projects in November to conduct evaluations involving youth and all major stakeholders. The eleventh and last project, Nike "Champion Worker" life skills training, was evaluated separately by Tibies Sinergi to measure knowledge gain and behavior changes involving 150 operators (see Annex B of this country evaluation report).

B. Evaluation Limitations and Challenges

In undertaking the evaluation, four challenges were faced, resulting in the following limitations as detailed below: 1) geographic and programmatic diversity of projects; 2) resource constraints; 3) challenges associated with scheduling graduates to participate in the evaluation; and 4) independence of evaluators.

Geographic and Programmatic Diversity of Projects: When YEEI was soliciting proposals in 2006, prospective implementing partners had concerns as to whether they could meet leverage requirements of a minimum 1:1 leverage contribution. This resulted in proposals for smaller projects, and YEEI ended up awarding eleven subgrants valued between \$33,000 and \$85,000. The fact that these projects were geographically diverse – with locations across Java and Bali - proved to be a challenge for conducting evaluations. In addition, between 2006 and 2009, YEEI benefitted over 13,000 people of which 7,655 were Nike factory operators who received the "Champion Workers" life skills training. Because of its specialized programmatic focus, its evaluation was conducted separately and the findings were not incorporated into the overall analysis of the program – see Annex B of this report for detailed findings.

Resource Constraints: Budgetary and time constraints made it difficult for the team to travel to all eleven project sites spread out across Java and Bali for evaluation. To overcome this challenge, interim evaluation results of three projects were incorporated into this summative evaluation study, specifically Kakak *tempe* chips production in Yogyakarta, Bina Swadaya catfish farming and KUD fish filet projects in West Java. The evaluation team felt that interim evaluation results were relevant and sufficient for two reasons:

- 1) Being the first three projects implemented by YEEI, these projects ended in mid-2008 and interim evaluations were conducted in July 2008, essentially upon their conclusion.
- 2) Indonesian youth follow-up and employer surveys were later adapted by the global team, and the global surveys are by and large the same with an additional section on changes in participants' capabilities and attitudes.

Scheduling Graduates: As YEEI subgrants ended and graduates began working towards the end of 2008, the third challenge was to have all youth gather in one venue for surveys and focus group

discussions because most of them ended up working in towns far away from initial project sites or were unable to participate during work hours. The team was not able to randomly select graduates and largely used the purposive sampling method for this evaluation. As an attempt to overcome this challenge, surveys were also mailed out to graduates working far away from project sites followed by telephone interviews to achieve good representation of all youth involved. For those who were unable to participate because of work, special meetings were arranged after working hours to administer surveys and conduct focus groups. The team felt that the sample - while not randomly selected - was adequate because it included responses from nearly 300 youth for the overall evaluation.

Independence of Evaluators: As discussed in detail in the overall global evaluation, this study is inherently limited by the lack of a fully external evaluation of program outcomes. As noted in the global introduction, given both resource constraints and the desire to leverage the broad experience of program participants to fully compare and contrast approaches used in the different countries for governance, program design, leveraging of resources and other elements, a strategic decision was made to utilize participants in the overall program to support this evaluation. In the interest of promoting learning and improvement, the EEA teams have done their best to express challenges and problems within programs and the alliance structure, grounded in the reality of their experience in the program; however, the study does have this inherent limitation, which is important to disclose fully.

C. Program Summary

The YEEI is the Indonesian program of the USAID-funded Education and Employment Alliance program implemented in six Asian and Middle Eastern countries. The program was branded locally as the Youth Employment and Entrepreneurship Initiative (YEEI) to emphasize that it aimed to help prepare youth to be both productive employees and when so inclined, productive entrepreneurs.

Problem Statement and Program Background

Rising unemployment among today's youth is an increasingly pressing global challenge. According to the International Labor Organization, approximately 88 million youth throughout the world are without jobs. Among the most at-risk are youth in Southeast Asia, who are generally five times more likely than adults to be unemployed. In Indonesia, six million youth – nearly one in three – unemployed, grown from 1.4 million recorded in 1990. Indonesia's current annual economic growth of six percent is too low to absorb the annual increase in the labor force, adding 300,000 to 500,000 more to the total unemployed each year. Unemployed youth represent more than sixty percent of the total unemployed. Compared to other Asian countries, Indonesia had an alarmingly high youth unemployment rate of 30.6% in 2006 as indicated in the figure below.

Figure 1: Youth Unemployment Rates in Select Asian Countries

	Youth unemployment rate (%)	Ratio of youth to adult unemployment rates	Share of youth unemployed in total unemployed (%)
Cambodia (2004)	1.5	2.5	61.0
Indonesia (2006)	30.6	6.0	61.6
Malaysia (2004)	11.7	8.4	68.2
Philippines (2006)	16.9	3.6	49.5
Vietnam (2004)	4.6	3.2	46.2
India (2004)	10.5	3.0	45.8

Source: ILO, Key Indicators of the Labor Market (KILM) 4th Edition; National Secretarial Office data

Some Indonesian economists and businessmen argue that the issue is not a lack of job opportunities but low quality of human resources. Regardless, young men and women in Indonesia in fact face enormous challenges as they attempt to enter the workforce, due to a weak support system that is unable to help them either gain employability skills or launch their own businesses. Some job seekers voluntary accept low salaries or take part-time, informal or seasonal jobs. As a result, unemployed and underemployed youth have become increasingly frustrated from not being able to take their places in the market as respected, productive adults. Leaving the youth as unemployed will not only exacerbate prevailing socioeconomic problems but also affect the overall human development now and for future generations.

The Youth Employment and Entrepreneurship Initiative (YEEI)

In response to local challenges, the Youth Employment and Entrepreneurship Initiative (YEEI) program was initiated by the International Youth Foundation (IYF) and Indonesia Business Links (IBL) in mid-2006 to increase employment and private enterprise opportunities for unemployed and underemployed. With an initial US\$600,000 in seed funds, YEEI sought to achieve two fundamental goals:

- 1) To establish a multi-sector group of public and private sector leaders (the Steering Board) who provide oversight and actively engage in activities that directly train or prepare youth for jobs or enterprise startups, resulting in an increased number of Indonesian youth finding jobs or becoming productive entrepreneurs, and
- 2) To support five or six innovative activities promoting support for demand linked employment training and entrepreneurship with an average seed funding of \$100,000 per activity.

Specific objectives of YEEI include:

- 1) To improve the skills of over 11,110 youth beneficiaries for better employability and enterprise development;1
- 2) At least sixty percent of 810 youth trained will get jobs following their vocational/technical training; and
- 3) At least fifty percent of 399 youth provided with entrepreneur training and other supports will be able to successfully launch their intended enterprises and sustain and grow their businesses within one year after launching.

IBL was selected to serve as the National Secretariat - responsible for working closely with IYF in awarding subgrants, implementing the program, providing direct management support and ensuring monitoring, reporting and evaluation on funded activities. The Board was established in mid-2006 with representatives from corporations, civil society groups and international organizations such as GAP, BP Indonesia, TIFA, Ford Foundation, GE Foundation and International Labor Organization. YEEI faced no major challenges recruiting board members as IBL and IYF used their own networks to recruit practitioners from both private and public sectors. With funded oversight, YEEI put in place a robust process for Board participation throughout program implementation to encourage meaningful collaboration.

Even though YEEI initially planned to support five or six projects, it ended up supporting eleven projects because of the high enthusiasm of more than thirty NGOs that submitted their concept notes. In general, the budget requested per project ranges between \$30,000 and \$80,000 for one-year projects.² While there was no intention to geographically focus or limit the project initially, YEEI decided to limit the activities to be funded to Java and Bali islands at the later stages due to concerns on logistics and monitoring costs.

After dissemination of Requests for Proposals, IYF, IBL and the YEEI board reviewed concept papers and provided significant recommendations to improve the design and viability of worthy concepts presented to the Alliance. Secondly, in a more opportunistic fashion, when the Alliance was approached by corporations with specific geographic focus such as GAP and BP, YEEI collaboratively designed programs with them and hired community development consultants to recommend locally relevant, viable activities for hard-to-reach, remote areas in West Java. Using these processes, a few partners received subgrants as early as March 2007. Others were awarded much later in the year because of the delays associated with conducting the USAID-required due diligence process for over thirty corporate supporters. All subgrants were awarded from March through December 2007 and implementation took place through March 2009 for subgrant projects. The Secretariat operations ended in mid-July of 2009.

Summary of YEEI Project Outcomes

Below are brief descriptions of all YEEI projects which are divided into four categories: a) entrepreneurship projects; b) integrated employment and entrepreneurship projects; c) community empowerment and employment generation projects; and d) life skills project.

¹ a) 810 for employment, b) 3,300 for entrepreneurship of which 399 for enterprise development and 2,900 for vocational high school entrepreneurship training, and c) life skills training for over 7,000 additional youth.

² For more information on leverage and grant amounts, see Indicator 1.1.

a) Entrepreneurship Projects

Economics for Life and Student Company Program in Vocational High Schools in Jakarta: The Economics for Life entrepreneurship program was implemented by Prestasi Junior Indonesia in Jakarta from June 2007 through late-2008. It trained 26 teachers and 3,232 vocational students on the EFL curriculum and the use of Oracle's Think.com software, enabling more effective project-based learning and collaboration among students and teachers. An aggregated 250 selected students established student companies and gained first-hand experience managing their own companies.

Catfish Farming Entrepreneurship and Economic Empowerment Project in West Java: This project, implemented by Bina Swadaya, trained twenty youth to become skilled and productive entrepreneurs and provided financial and business support to youth in establishing two enterprises. These enterprises have created 140 additional jobs. A local committee has been established with existing YEEI partners to provide continued support to young entrepreneurs.

Livelihood Recovery and Promotion for Earthquake Affected Communities in Yogyakarta: This project was implemented by Kakak from March 2007 through November 2008. It has helped seventeen youth in Yogyakarta establish small businesses producing *tempe* snack food and generated new employment for 58 additional people. YEEI also helped youth establish a legal business association called "Happy Group" that coordinates the supply of raw materials, sales of *tempe* chips and provision of working capital loans.

Supporting Vulnerable Youth in North Jakarta: This project, implemented by Sekar, offered comprehensive training (technical, equivalency education, computer literacy and life skills) to 77 street youth in North Jakarta and enabled them to establish six successful business groups from December 2007-08. They are now working with fifty businesses for the supply of raw materials and ten local distributors/stores to market their products.

b) Integrated Employment and Entrepreneurship Projects

Car and Motorcycle Engine Repair Training in Karawang: This project, implemented by Cepat Tepat, has provided the technical skills training in sewing and engine repair to 105 youth from October 2007-08. It has placed 57% or sixty youth in jobs with local business partners (such as Toyota and Honda), and enabled 43% or 45 youth to set up business groups, thereby achieving a 100% employment rate.

Training Broiler Chicken Operators and Technicians in Pati: This project, implemented by CREATE, has trained 150 youth to become broiler chicken farm operators from October 2007-08. It has placed 143 graduates (95%) in jobs with local business partners in East, West, and Central Java, and provided financial support to five additional graduates set up their own poultry runs, thereby achieving a nearly 100% employment rate. Two graduates decided to pursue further education.

Providing Employment and Entrepreneurship Training for Surabaya youth: This program, implemented by the East Java Consortium, has helped 282 street youth and orphans in Surabaya gain entrepreneurial and technical skills (sewing, handicrafts, and computer literacy) from November 2007-08. Sixty percent of youth have set up group businesses and another 35% secured jobs in computer-related fields.

Assisting Young T-shirt Entrepreneurs in Bandung: This project, implemented by JBL, has trained 575 T-shirt entrepreneurs in T-shirt design and production, and placed 423 youth (74%) in jobs with local businesses. It has also helped 983 more youth learn about obtaining and managing C-59 T-shirt franchises of which twenty qualified youth have received financial assistance to set up their own franchises.

c) Community Empowerment and Employment Generation Projects

Capacity Building and Sustainable Economic Empowerment Project in West Java: This project, implemented by KUD Mina Bahari, has helped strengthen a local fish filet industry by providing the necessary training, equipment and financial support from June 2007-November 2008. It has allowed the industry to undertake additional processing, packaging and marketing of fish filet products, and increased income of an estimated 250-350 local residents. Twenty youth have also been trained to work as machine operators.

Supporting Community Ecotourism in Bali: This ecotourism project, implemented by Kehati and Wisnu Foundations, has provided technical assistance and other support to the Village Ecotourism Network - made up of four villages in southeastern Bali from November 2007-08. It has also trained 154 village

members of which 86 are youth - in ecotourism, hospitality/hotel management services and improving their local production of foodstuffs and handicrafts.

d) Life Skills Training

"Champion Workers" Life Skills Training for Nike Factories: This employee life skills training was implemented by Business Dynamics in ten Nike contractor factories in the Jakarta region from October 2007-June 2008. During its initial phase, the project trained twenty trainers of which sixteen have been certified to become in-house trainers who will then train an estimated 40,000 operators in the next few years. As of March 2009, an aggregated 7,655 operators have received this life skills training.

Section II: YEEI Results Framework

Indonesian Youth Employment and Entrepreneurship Initiative Goal: Improving the skills of young people (ages 18-24) for better employment and successful entrepreneurship **Intermediate Result 4: Intermediate Result 1: Intermediate Result 2: Intermediate Result 3:** Positive Indirect Effect on Alliance Building and **Improved Prospects for** Improved Access to and Relevance of Education and Families and Communities Leveraging Resources **Employment and Successful Employability Training** Entrepreneurship Indicator 1.1: In-kind and cash **Indicator 2.1:** Number of young men Indicator 3.1: Number and Indicator 4.1: Number and resources leveraged for the and women participating in YEEI percentage of trainees who get a job percentage of employed youth financially helping their families project through private sector, programs within six months of completing the government, civil society and with household, health and program Indicator 2.2: Number and education expenses other partners Indicator 3.2: Number and percentage of young men and women completing YEEI supported programs percentage of trainees who continue **Indicator 1.2:** The effectiveness **Indicator 4.2:** Number and education or engage in further of the YEEI alliance approach in Indicator 2.3: Number of teachers. percentage of youth who have professional training within six trainers, facilitators and counselors building partnerships, and reported improved financial and months of completing the program trained under YEEI supported promoting sustainable and social conditions of their families scalable youth employability programs Indicator 3.3.: Number and as a result of participation in the percentage of YEEI trainees starting programs YEEI programs **Indicator 2.4:** Percentage of young their own businesses within six men and women demonstrating **Indicator 1.3:** Number of private months of completing the training **Indicator 4.3:** Number of jobs improved capabilities through sector, government and civil created for community as indirect participation in YEEI supported **Indicator 3.4:** Level of employers' society partnerships formed beneficiaries of YEEI programs programs satisfaction with the soft skills through the project to jointly offer and/or technical skills of YEEI **Indicator 2.5:** Level of satisfaction of employment and business trained youth young trainees with the quality and development training activities in Indicator 3.5: Number and targeted areas relevance of the training, counseling and services received through YEEI percentage of youth with satisfactory internships or apprenticeships programs **Indicator 1.4:** New partnerships, mechanisms and approaches Indicator 2.6: Number and Indicator 3.6: Number and created as a rippling effect of percentage of youth who completed percentage of placed youth who partners working with YEEI to YEEI supported projects who report declare having a satisfying and promote youth employability that they have referred at least quality job another youth **Indicator 3.7:** Percentage of youth (who had prior jobs) earning more income as a result of participation in the YEEI program and net salary increase

Section III: Findings and Analysis of Program Achievements

Intermediate Result I: Alliance Building and Leveraging Resources

Summary of Intermediate Result One Findings

This evaluation suggests that YEEI was effective in forging meaningful public-private alliances that were able to: 1) generate leverage resources necessary to maximize program potential and engender local ownership; and 2) drive multi-sectoral approaches to program design that helped identify prospective partners particularly in the private sector for stronger outcomes. In terms of leverage, while overcoming challenges faced during its initial trust-building and negotiation phase in which prospective partners had challenges understanding the alliance program, YEEI successfully partnered with 65 public-private entities including local and multinational corporations, NGOs and local governments who have supported eleven projects. In turn, despite its initial concerns to meet leverage requirements, YEEI has achieved a leverage ratio of 2.2:1 exceeding the initial target of a 1:1 leverage ratio against project seed funds of approximately \$600,000. Secondly, the study shows that YEEI strategically used the collective power of alliances to drive its projects to achieve optimal results. A robust process put in place for the Board and alliance participation has proven valuable in encouraging public-private sector collaboration in the designing, implementation and evaluation of projects, which in turn appears to have improved overall program quality and increased local ownership and sustainability of subgrant activities.

The Alliance building experience, however, was not without challenges. While in a macro sense, alliances generated seem to yield valuable benefits, the process of Alliance development for partners can appear unwieldy and challenging. For example, while YEEI was effective in attracting local businesses, USAID due diligence protocols for prospective company partners needed to be undertaken for over thirty corporations, which in turn caused delays and likely affected the reach of some projects because of the need to shorten program durations. Additionally, some partners expressed their reservations about implementing similar alliance projects in the future because the complexities involved, such as the need to take a participatory approach in design; to invest more time and resources in engaging a broad segment of partners with a broad diversity of experience in such efforts; to focus consistently on finding new leverage contributions, and to negotiate with various parties in the case of conflicts. Such efforts, in addition to the rigorous financial and program management standards put forward by USAID, IYF and the Alliance Steering Committee, often left partners somewhat overwhelmed. In the end, however, the benefits of developing such alliances in support of programs are noteworthy in terms of generating new resources, ensuring local ownership and helping to promote a holistic approach to program design. As such, our findings here suggest that new efforts in the area of alliance building should focus on ensuring refined operational protocols for program design, approval and implementation through alliance structures and also a more realistic understanding of the "alliance management" component of activities as projects are designed and budgeted.

Finally of interest to future efforts, the study sees an evolutionary change in terms of the relations between NGOs and businesses and despite the notion that fundamentally, behavior change will take time. In this respect, the study acknowledges that YEEI has encouraged local NGOs to reach out to corporations despite a sense of mistrust between two sectors and seeded a culture of public-private partnerships with a shared goal to promote youth employability. The study finds strong evidence that partnerships established between the two sectors are likely to be sustainable beyond YEEI for a majority of projects, for example, local businesses in Pati are continuing to work with the implementing partner and young entrepreneurs, and BP Indonesia has continued to provide support to young entrepreneurs as part of the local Committee modeled on YEEI (see sustainability status chart under Indicator 1.3 for details on sustainability of each subgrant project). The study does not find, however, specific evidence that other corporations have reached out to YEEI NGO partners to support similar interventions at this time. While this was not a main focus of the study, it can be surmised that partnership initiation around corporate social responsibility (CSR) may be more driven by civil society, who can in turn provide direct avenues for corporate support and participation in initiatives that are of interest to them.

<u>Indicator 1.1:</u> In kind and cash resources leveraged for YEEI through private sector, government, civil society and other partners

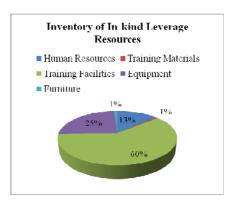
YEEI has successfully mobilized 65 public and private sector organizations in Indonesia with a shared sense of purpose to promote youth employability. They provided both cash and in-kind contributions including staff time, trainers and technical assistance, training venues and facilities, land, equipment and internships. With an initial investment of \$581,589 of seeding funding for eleven projects, YEEI raised \$1,272,310 in leverage contributions – thirty percent cash and seventy percent in-kind contributions. YEEI received 56% of total leverage from its NGO partners, 26% from its multinational and local corporate partners and 18% from the local governments. The figures below present seed funding and leverage contributions for each YEEI activity, and the classification of in-kind leverage contributions.

In most activities, leverage was considered as cost sharing by project partners. Significant efforts were made by the Secretariat to ensure that leverage contributions were made as pledged so that all activities had the necessary resources to achieve desired program outcomes, particularly internship and job placement activities. The Secretariat specifically facilitated the signing of MOUs for each project to properly document and monitor contributions from all partners involved. Even though MOUs were not legally binding, most partners honored their commitments and contributed both cash and in-kind contributions. Two projects in particular faced difficulties securing leverage mainly because of budgetary constraints of and challenging relationships with corporate partners. The total leverage amount does not include in-kind contributions (mainly time spent) from Steering Board members.

Figure 2: Seed Funds and Leverage Contributions

Implementing Partner/Project	Seed Funds	Leverage	Total Budget	Leverage Ratio
KAKAK	\$38,680	\$77,596	\$116,278	2.01
Prestasi Junior Indo	\$38,415	\$121,605	\$160,021	3.17
KUD Mina Bahari	\$47,515	\$146,969	\$194,484	3.09
Bina Swadaya	\$33,632	\$51,492	\$85,124	1.50
Kehati/Wisnu	\$48,851	\$101,263	\$150,114	2.07
CREATE	\$71,086	\$203,086	\$203,086	2.86
East Java Consortium	\$74,360	\$182,812	\$257,172	2.46
JBL	\$84,850	\$126,822	\$211,672	1.50
SEKAR	\$41,400	\$49,827	\$91,227	1.20
PKBM Cepat Tepat	\$68,800	\$95,239	\$164,039	1.38
Business Dynamics	\$34,000	\$115,600	\$150,600	3.4
Total	\$581,589	\$1,272,310	\$1,854,902	2.19

Figure 3: Inventory of In-kind Leverage Resources



<u>Indicator 1.2:</u> The number of private sector, government and civil society partnerships formed through YEEI to jointly offer employability skills training

Of YEEI's 65 alliance partners, 49% represent international and local corporations, 31% local NGO implementing partners, 14% local government units, and 6% local and international donor organizations. A total of 26 project partners shared the reasons why they participated in the alliance during the evaluation process and results are as follows:

- To help youth acquire relevant employability skills (13% of respondents)
- *Youth* is part of our institutional concerns (19%)
- Corporate social responsibility (6%)
- To recruit qualified people for our businesses by providing internships and hiring skilled graduates of YEEI (62%)

The figure below presents all YEEI alliance partners by types of organizations, showcasing an array of partners that YEEI attracted and worked with to improve the livelihoods of youth and their families:

Figure 4: Typology of YEEI Partners and Leverage Contributions

Partner Name	Partner Role and Contributions
Corporations	
BP	Board member and resource partner; provided funding for West Java community economic empowerment projects
GAP	Board member and resource partner; provided funding for Yogyakarta entrepreneurship project
GE	Board member
Nike	Resource partner; provided funding for the Nike life skills training
Oracle	Resource partner for the Junior Achievement project; provided Think.com software
Newmont Indonesia	Resource partner; provided funding and business volunteers for the Junior Achievement project
Rio Tinto Indonesia	Board member
ACCOR Indonesia	Resource partner; provided training on hotel hospitality and management and food processing for Bali ecotourism projects
Medion	Resource partner for the CREATE project; provided training supplies for the project
Vaksindo Satwa Nusantara	Resource partner for the CREATE project; provided training supplies for the project
Kurnia Poultry Farm Groups	Resource partner for the CREATE project; provided training supplies for the project
Perdana Putra Chicken	Resource partner for the CREATE project; provided training facilities and internship opportunities

Partner Name	Partner Role and Contributions
Charoen Phokpand	Resource partner; provided funding for the CREATE project
PEAC Bromo	Resource partner for East Java projects; provided business consultancies to the newly established business ventures
C-59	Resource partner for the JBL project; provided instructors and facilities for t-shirt making training and t-shirt franchise training
Telkom – Regional 3	Resource partner for JBL project; provided training facilities for the project
TA TV Solo	Resource partner for KAKAK tempe chips project; supported the project and marketing of tempe chips
Yamaha	Provided training instructors, internships and employment opportunities for the Cepat Tepat project
Suzuki	Provided training instructors, internships and employment opportunities for the Cepat Tepat project
Toyota Astra	Provided training instructors, internships and employment opportunities for the Cepat Tepat project
Honda	Provided internships and employment opportunities for the Cepat Tepat project
Daihatsu	Provided internships and employment opportunities for the Cepat Tepat project
Government	
West Java Provincial and	Contributed land, equipments and technical assistance for the
Kabupaten governments	Cepat Tepat, BSI and KUD projects
Local government of Pati	Contributed land and meal stipends for the CREATE project
Local government of Bandung	Provided training supplies and facilities for the JBL project
Local Kabupaten governments in Bali	Contributed equipment and facilities to support community product development
Non-governmental Organization	ons
Indonesia Business Links	National Secretariat and Implementing Partner
Ford Foundation	Board member
Kehati Foundation	Lead implementing partner; contributed technical assistance and cash leverage
Wisnu Foundation	Implementing partner; contributed staff time and office facilities for Kehati project
TIFA Foundation	Board member
Junior Achievement	Implementing partner; provided staff time and office facilities
KUD Mina Bahari	Implementing partner; provided funding, staff time, office facilities, and factory land
Bina Swadaya	Implementing partner; provided staff time, office facilities and vehicles
Jendela Budaya Lingkungan	Implementing partner; provided staff time, and training materials
SMK Farming Pati	Implementing partner; provided staff time, training venues and facilities
Business Dynamics	Training provider for the Nike life skills training
SEKAR	Implementing partner; provided staff time, training venues and facilities
PUPUK Surabaya	Implementing partner; provided staff time and office facilities
ALIT	Implementing partner; provided staff time and office facilities
YP3IS	Implementing partner; provided staff time, training venues and facilities
PKBM Cepat Tepat	Implementing partner; provided auto mechanics training facilities and instructors
PKBM Aditya	Implementing partner; provided sewing training facilities and instructors
Bina Mitra	Provided supervision to the newly created sewing business group under the BP West Java project in Tanjung Sedari

Partner Name	Partner Role and Contributions		
Yayasan Kurnia	Resource partner for the SEKAR project; provided training equipment and facilities		
Gallery K'Qta	Resource partner for the SEKAR project; provided training equipment and facilities and product promotion support		
ROMPI	Resource partner for the SEKAR project; provided training venues and equipment		
KAPPIJA-21	Resource partner for the SEKAR project; provided training equipment and facilities and stipends for trainers		
Overseas Development Organizations			
USAID/Indonesia	Board observer, program contact, strategic guidance and principal funding source		
International Labor Organization	Board member		

<u>Indicator 1.3:</u> The effectiveness of the overall alliance approach in building partnerships, and promoting sustainable and scalable youth employability programs

The study finds that the development and use of alliance-based approach to guide implementation of projects required ample time and significant resources and attention from all YEEI partners during the first year start-up phase. Such efforts included -- creating and developing a common understanding among alliance partners, building and reinforcing initial alliance partnerships, establishing a Steering Board, conducting due diligence for local businesses, and providing capacity building for the Secretariat and implementing partners. One particular challenge in this respect was a requirement to conduct due diligence for over thirty corporations, which significantly delayed the subgrant process and affected the quality of training for subsequent projects because of the need to shorten the duration of training.

Nonetheless, survey responses and analysis indicate that this time taken at the outset of the program helped ensure efforts were comprehensive, effective, generally cost-effective and reasonably sustainable. In particular, findings suggested the alliance structure was able to help strengthen the capacity of local NGOs to implement alliance-based projects, secure active participation from the private sector, foster meaningful collaboration between NGOs and businesses, and achieve high job placement rates. Additionally, all partners surveyed felt that YEEI improved their capabilities to work with youth, and that their YEEI experience positively changed the way their organizations work. This section focuses on the effectiveness of the YEEI program model, specifically the value and effectiveness of the Secretariat, Steering Board and overall alliance approach together with the cost effectiveness of the model, in promoting sustainable youth development programs.

Effectiveness of the Secretariat

During the first year, IYF invested significant resources in putting in place the necessary sub-award monitoring system, and building the capacity of the National Secretariat - particularly in areas of building and reinforcing alliances, leverage raising, conducting due diligence, financial management and overall program management (design, implementation, monitoring and evaluation). IBL subsequently shared its acquired knowledge and skills in these abovementioned areas with all implementing partners through capacity building workshops and regular technical support visits depending on areas where partners needed help. In terms of corporate outreach, the Secretariat also played a critical role in establishing linkages with local businesses for some projects with funded oversight. The ability to attract local businesses to join the alliance and play a substantive role has been noted as one of the major achievements of the program. Furthermore, the Secretariat learned how to negotiate and mediate in case of conflicts as often demanded by alliance programs.

During this evaluation, partners were asked to assess the technical assistance received from YEEI and results are presented below:

- Eleven percent of partners reported receiving technical assistance from the Secretariat in program management; another 11% in technical training; 22% in monitoring and evaluation; and 56% in financial management.
- Thirteen percent of partners rated the quality of technical assistance from IBL as *fair*, 63% as *good* and 25% as *excellent*.

- All partners have implemented traditional development projects that do not use the alliance approach in the past. They were asked to describe their alliance experience in comparison with traditional development models, and their responses are presented below:
 - o Forty-four percent said it is *similar*;
 - o Thirty-three percent said it is *better* because of an increased ability of the alliance to:
 - Leverage more resources and provide more comprehensive support to youth;
 - Build and maintain relationships at the project-level which are positioned for scale-up should additional resources become available; and
 - Sustain program outcomes on a greater level, by enhancing the support and mentorship to project participants, particularly to new enterprises that have been established which continue to receive support either on an individual basis or as part of a local Committee established based on YEEI model;
 - o Twenty-two percent said it is *worse* because of complexities involved such as the need to sustain alliances, raise leverage contributions, take a participatory approach demanding more resources, engage in conflict resolution, and to comply with reporting requirements.

Value and Effectiveness of the Steering Board

Before presenting the findings of the Board effectiveness, it is important to note that some YEEI resource partners such as GAP and BP volunteered to serve on the Steering Board based on their institutional interests. Development practitioners from international organizations also served on the Board as observers.

The study shows that the Board made contributions to the program in three significant ways. First of all, a robust process put in place to encourage Board participation has resulted in meaningful collaboration among Board members and alliance partners with YEEI team playing a facilitation role. At the program outset, the Board met bi-monthly to review proposals, provided suggestions to strengthen program designs, and approved subgrant activities that would best support YEEI program goals. Secondly, after projects were initiated, the Board monitored program developments and provided strategic guidance to strengthen the program in subsequent Board meetings convened quarterly. Those who served on the Board and also provided financial support to projects were closely involved in program implementation and helped brainstorm ideas to strengthen select activities based on mid-term evaluation results in July 2008. Finally, it became an effective mechanism to hold both IBL and IYF accountable throughout the implementation, given the interest in multiple parties to program outcomes.

It was also noted however that YEEI struggled to sustain active participation of some Board members after seed funds were allocated. With less focused activity to undertake in this respect, Board participation naturally waned. The Board, however, may not be dissolved after YEEI ends because several Board members have expressed interest in continuing to act as a force to promote youth employment in Indonesia, albeit in somewhat limited capacity.

Value and Effectiveness of the YEEI Alliance Approach

For a number of implementing partners, it was the first time establishing and working with alliances. Some projects initially faced challenges realizing leverage commitments, maintaining healthy working relationships and undertaking shared responsibilities because of YEEI's push to forge vibrant alliances. Largely, with guidance from YEEI, the partners and programs appeared to have overcome these problems, with specific outcomes noteworthy below:

- *Mobilizing Local Resources*: YEEI's leverage requirement has encouraged lead implementing partners to look for corporate and NGO partners that they would not have found or partnered with otherwise. YEEI was also able to raise nearly \$1.3 million in leverage which is two times more than the initial seed funding amount of \$600,000 provided by USAID.
- Communities Taking Ownership Leading to Active Participation: YEEI's decision and efforts to encourage active participation of all partners resulted in partners engaging through several innovative avenues such as collaboratively designing projects they supported, reviewing training curricula, monitoring project developments with YEEI and engaging in regular dialogues, and incorporating mid-term evaluation learnings to improve ongoing projects.

- Engaging the Private Sector: YEEI engaged its corporate partners and prospective employers in the curriculum development stage for select projects which is found to be effective for ensuring that the training was relevant and demand-driven. Partnership with local corporations was critical in ensuring that skills training programs match the needs of the industry. Regular consultative and feedback meetings with internship providers allowed YEEI to monitor and improve the performance of trainees and increased their chances for job offers. In some cases, partners made arrangements with corporate partners to give competency exams to YEEI graduates and recruit them at the training site. These steps taken resulted in high job placement rates for most projects.
- Sense of Community: YEEI encouraged all partners to work together and support each other. For example, in Indonesia, the cultural norm is such that it is more prestigious to have a stable job as civil servants or private sector employee than to become an entrepreneur. When the catfish farming project was setback by an initial period of drought followed by a flood resulting in significant damage and the loss of small catfish, young entrepreneurs were discouraged and faced with criticism in their communities. To the alliance's credit, partners responded immediately by providing the necessary technical, and additional financial support to repair fishponds and buy new catfish. Interviews with young people indicated that such collaboration led the youth participants to realize they could indeed find support in times of need, which in turn increased their self-confidence and motivation. These twenty entrepreneurs have today created 140 additional jobs for the community. Additionally, YEEI has learned that conflict resolution and negotiations become more effective and manageable once partners are instilled in this sense of kinship and responsibility.

While findings beyond leverage calculations are by necessity qualitative, they suggest capacity building efforts of the program around leverage and alliance building are successful and added value to the program. In addition, the requirement for proposals to have at least one corporate and one NGO partner subsequently helped nurture a culture of working in multi-sectoral partnerships. This has later evolved into a greater partnership of 65 public-private organizations working together to promote youth employability, and seems to provide a strong platform for continued collaboration and expansion of successful efforts in support of youth employability needs. The overall approach appears to have contributed to promoting long-term sustainability of program outcomes. Figure 5 below summarizes the sustainability status of each subgrant project:

Figure 5: Sustainability Status of YEEI Projects

Project	Project Objective	Partners	Sustainability Status
Livelihood Recovery through Tempe Production and Marketing	To support 17 local entrepreneurs in Yogyakarta in producing and marketing modern snack foods from traditional products, creating 148 jobs	KAKAK, GAP Corporation, Local Governments, the Center of Nutrition and Food	Business association established as a legal entity and new businesses are anticipated to sustain themselves and expand their product lines under with help from YEEI partners
Economics for Life in Vocational High Schools	To support the teaching of Economics for Life lessons to 2,900 youth in Indonesian vocational high schools, to provide 250 students support in starting new companies, and to train 24 teachers in Oracle's Think.com platform for schools	Prestasi Junior, Oracle Corporation, Newmont Corporation	Phase 2 of this project is currently being implemented with the same partners and estimated to reach an additional 3,000 high school students
West Java Coastal Community Empowerment	To strengthen the cooperative Fish Filet industry in Eratan Kulon in West Java and creating 200 new jobs by providing equipment and training for villagers in better processing, packaging and marketing	KUD Mina Bahari, BP Indonesia, Local Government	The filet industry is anticipated to sustain itself with support from the local Committee established with YEEI multi-sectoral partners

Project	Project Objective	Partners	Sustainability Status
Bina Swadaya Catfish Farming	To provide entrepreneurship skills to twenty youth in Eretan Wetan village in West Java that assist them in starting up catfish farming businesses that create 95 additional jobs	LSM Bina Swadaya, BP Indonesia, Local Government of Indramayu Kabupaten, PT. LS Aquaculture (LSA)	The catfish businesses are anticipated to sustain themselves and continue expanding with support from the local Committee established with YEEI multisectoral partners
Cepat Tepat Youth Vocational Training and Entrepreneurs hip Project	To equip 140 youth with vocational skills in the areas of motorbike repair and sewing and assist them in getting jobs or establishing small-scale businesses	PKBM Cepat Tepat, BP Indonesia, the Local Government of District Karawang, PKBM Aditya, Bina Mitra, Toyota Astra, local automotive garages	New businesses are anticipated to sustain themselves with help from YEEI partners. The project is anticipated to continue with support from the local education office and reach an additional 50 youth.
Factory Employee Life Skills Training Project	To train 16 trainers and 40,000 operators in eight factories supplying products to Nike in Jakarta, and improve life skills and positive attitudes in the work environment	Business Dynamics, Nike	Nike factories are implementing this project on their own using in- house trainers YEEI trained, and estimated to reach over 30,000 new operators.
CREATE Chicken Broiler Training Project	To train 150 youth in broiler chicken operations, and of successful trainees about 90% will be employed in existing broiler operations and 10% will be assisted to start new small operations	Center for Human Resource Development and Applied Technology (CREATE), Charoen Phokpand, Kurnia Poultry Farm, Perdana Putra, Medion, Vaksindo	The curriculum developed with YEEI funds is still being used by CREATE. Corporate partners still supporting entrepreneurs and YEEI partners. Project unable to continue for lack of funding for the next phase. Proposals being developed based on the tested model of YEEI.
Improving Livelihoods of Youth in Surabaya, East Java	To improve the economic conditions of 260 disadvantaged youth in Surabaya by equipping them with necessary skills and helping them secure better jobs or establish sustainable businesses	Pupuk Surabaya, ALIT, YP3IS	New businesses are anticipated to sustain themselves with continued support from the partners.
SEKAR Youth Vocational Training and Entrepreneurs hip Project	To train 77 disadvantaged youth in Jakarta in waste recycling production of art paper and handicrafts and to start their own businesses	SEKAR, PT. Astra International, Gallery Q'ta, Kurnia KAPPIJA-21, PT. Suhuf Art Paper	New businesses are anticipated to sustain themselves with help from YEEI partners. The project is anticipated to continue with support from new funders in different target areas.
Assisting Young T-Shirt Entrepreneurs in Bandung	To assist 1,500 youth in obtaining jobs in the local T-shirt industry or starting their own franchises	Jendela Budaya Lingkungan, Local Bandung Government, C-59, PT. Bio Farma, PT. Nu Art Consultant Company	New franchises are continuing to receive help from C-59 and JBL. Unable to continue due to lack of funding.
Supporting Community Ecotourism in Bali	To strengthen the ecotourism industry in Bali by training 100 local villagers in village-based local food production, tourism services and handicraft production	Kehati Foundation, ACCOR Indonesia, Village Ecotourism Network, Wisnu Foundation	The villages are anticipated to continue using newly acquired skills as they run village tourism businesses.

Cost Effectiveness: The overall cost effectiveness of the EEA Pakistan country program has been assessed at two levels. The first level is related to country program subgrants, which include both seed

grants administered by USAID and cash and in-kind leverage contributions contributed by other partners to support EEA country programs. The second level more broadly includes costs classified as alliance building and program support costs. This second level includes costs outside of those directly incurred by project implementers. They accordingly include costs related to the functioning of the YEEI National Secretariat – IBL, local consultants and country advisor in Indonesia, as well as IYF direct and indirect expenditures attributable to the Indonesia program. Each of these cost categories are discussed in more detail below.

Subgrant Project-level Costs: As noted above, subgrant project-level costs include seed funds and leverage contributions invested toward individual projects which typically covered curriculum design or improvement, training, job placement costs, and project specific costs of NGO subgrantees. The amount of seed funding support from USAID toward individual projects is a useful metric to assess cost effectiveness given that such funds are directly focused on implementation of projects, are directly leveraged by investments from other parties, and are best positioned for increased efficiency when additional beneficiaries are added to successful pilot programs. In Indonesia, the USAID support of approximately \$581,590 in seed funds that were coupled with leverage investments of \$1,272,311 reached a total of 13,202 beneficiaries. This results in a cost-per beneficiary of approximately \$140 per beneficiary, of which \$44 was borne directly by USAID and \$96 was shouldered by the alliance partners.

Figure 6: Project-level Costs

Subgrant Project Name	Number of Beneficiaries	1	USAID Funds	Leverage	To	otal Project Budget	_	ost Per neficiary
Kakak Entrepreneurship	17	\$	38,680	\$ 77,596	\$	116,276	\$	6,840
BSI Catfish Farming	20	\$	33,632	\$ 51,492	\$	85,124	\$	4,256
KUD Fish Filet Industry	20	\$	47,515	\$ 146,969	\$	194,484	\$	9,724
Junior Achievement Vocational Training	3,232	\$	38,416	\$ 121,605	\$	160,021	\$	50
Wisnu Ecotourism Training	86	\$	48,851	\$ 101,263	\$	150,114	\$	1,746
CREATE Chicken Farm Operator Training	150	\$	71,086	\$ 203,086	\$	274,172	\$	1,828
East Java Vocational Training	282	\$	74,360	\$ 182,812	\$	257,172	\$	912
JBL T-shirt Training	1,558	\$	84,850	\$ 126,822	\$	211,672	\$	136
Sekar Vocational Training	77	\$	41,400	\$ 49,827	\$	91,227	\$	1,185
Cepat Tepat Engine Repair Training	105	\$	68,800	\$ 95,239	\$	164,039	\$	1,562
Nike Life Skills Training	7,655	\$	34,000	\$ 115,600	\$	149,600	\$	20
TOTAL	13,202	\$	581,590	\$ 1,272,311	\$	1,853,901	\$	140

Alliance Building and Program Support Costs: A more expansive examination of costs by necessity also includes those alliance building and program support costs related to the YEEI program. These costs supported significant, collective efforts by IYF and IBL as National Secretariat, as well as local program consultants. Efforts by these partners included managing the design and implementation of alliance based interventions; providing international technical expertise on successful employability approaches; assisting in leveraging of resources; providing capacity building support to implementing partners in skills training, job placement and post training support to entrepreneurs; and providing financial oversight, compliance, and direct monitoring and evaluation support. Upon examination of IYF accounting records, these costs taken together with indirect costs attributable to the Indonesia program, totaled \$1,083,896. This USAID-borne cost adds approximately \$82 on a per beneficiary basis.

Figure 7: Alliance Building and Program Support Costs

Subgrant Project Name	Number of Beneficiaries	ding and Program port Costs	Cost Pe	er Beneficiary
Kakak Entrepreneurship	17	\$ 98,627	\$	5,802
BSI Catfish Farming	20	\$ 98,627	\$	4,931
KUD Fish Filet Industry	20	\$ 98,627	\$	4,931
Junior Achievement Vocational Training	3,232	\$ 98,627	\$	31
Wisnu Ecotourism Training	86	\$ 98,627	\$	1,147

CREATE Chicken Farm Operator Training	150	\$ 98,627	\$ 658
East Java Vocational Training	282	\$ 98,627	\$ 350
JBL T-shirt Training	1,558	\$ 98,627	\$ 63
Sekar Vocational Training	77	\$ 98,627	\$ 1,281
Cepat Tepat Engine Repair Training	105	\$ 98,627	\$ 939
Nike Life Skills Training	7,655	\$ 98,627	\$ 13
TOTAL	13,202	\$ 1,084,897	\$ 82

Taken together, these overall costs of both seed funds and Alliance building program support costs total approximately \$ 222 per beneficiary. These costs appear quite modest in relation to other good practice country projects of similar scope. Significant investments were also made to provide equipment and financial support to youth in setting up small businesses and in West Java, support a fish filet industry that created additional jobs for the community. Of the cost of \$222 per beneficiary, \$126 (57%) was borne by USAID and \$96 (43%) was contributed by alliance partners.

These cost calculations include eleven projects which provided job skills, entrepreneurship and life skills training. It is useful to note that one of these projects supported by Nike presented a different type training, focusing on providing life skills through short term training efforts to 7,655 beneficiaries employed at Nike contractor factories in Indonesia. Should this program be excluded from the calculation, the cost per beneficiary becomes \$530 per beneficiary, of which \$301 (57%) was borne directly by USAID and \$229 (43%) was covered by alliance contributions.

Finally, and perhaps most significantly, a full assessment of cost efficiency would also require a more thorough assessment of the consequences of alliance building activities on long term sustainability and scalability of proven practice programs. For example, should the new efforts to substantially expand the YEEI model be successful, the cost effectiveness of initial YEEI investments could be dramatically expanded. A modest investment in the initial life skills training project reached over 7,000 Nike factory operators after being scaled up and adopted by local factories, and it is expected to continue beyond YEEI. In this respect, as noted in the section on sustainability and section 1.4 below, should the new efforts to substantially expand YEEI in Java and Bali, the cost effectiveness of initial YEEI investments could be significantly expanded with a culture of working in alliances established and vibrant local alliances in place. Other activities that continue beyond YEEI support including the Junior Achievement and activities in Java built on the YEEI model are also expected to bring additional value and increased cost efficiencies as the necessary infrastructure and curricula developed and proven successful through YEEI. While the longitudinal study required for this type of evaluation goes beyond the scope and resources available for this study, such factors should be addressed more directly in similar employability projects in the future.

<u>Indicator 1.4:</u> New partnerships, mechanisms and approaches created as a rippling effect of partners working with YEEI to promote youth employability

While YEEI has not been able to acquire new funding to replicate the whole YEEI structure in Indonesia, sustainability prospects on the project activity level are promising and appear to have been enhanced by the development of alliance based approaches in support of program design, development and implementation. As an overseer of implementation and alliance program design, IBL is continuing to utilize and expand the alliance building capacity it has developed under YEEI in many of its programs, and has a number of staff who are involved in implementing and supporting the YEEI program. Similarly, IBL continues to use the subgrant monitoring system put in place for other projects they are implementing, and is well-positioned to implement future alliance-based projects. In addition, organizations such as World Vision Indonesia approached YEEI to learn how to implement alliance-driven vocational training programs with strong support from the private sector.

More specifically, however, a number of partners remain enthusiastic about continuing alliance programs that were piloted and tested during YEEI. Such interest and activity in support of program continuation is among the strongest rationales for alliance building approaches to be utilized in such programs, given the promotion of avenues for local communities and their supporters to take ownership for a number of projects. Below are illustrative examples:

• Junior Achievement project is continuing with support from YEEI partners – Oracle and Newmont – with plans to reach 3,000 additional youth in vocational schools.

- A local steering committee has been established based on the EEA model to provide continued support to youth-led businesses in West Java with active participation from YEEI partners (BP Indonesia, local governments and KUD Mina Bahari) after the program ended. BP and the local government recently provided additional land and financial support for young entrepreneurs to expand their business operations and establish a new factory producing fish feed. The factory is quickly growing and producing fifty kilogram of fish food per day with help from three additional employees.
- A joint proposal has been agreed upon in principle to replicate and expand the chicken operators training program to other promising areas in Indonesia. Partial support from at least one location has already been obtained by CREATE, and IBL is assisting CREATE in obtaining broader alliance support.
- The Champion Workers life skills program continues in Nike factories with training workshops carried out by Nike in-house trainers trained by YEEI. It is anticipated to reach over 30,000 additional operators in the coming years.
- Bali eco-tourism activities will continue in four target villages with people using skills provided and systems put in place by YEEI. Implementing partners, Wisnu Foundation and JED, are well positioned to continue providing support to these four villages. ACCOR Indonesia has also expressed interest in continuing to support the activity, though likely to be in somewhat limited capacity. With the financial crisis, villagers have been prepared not to rely heavily on ecotourism businesses in the coming months but focus on producing and marketing wine, rice, and coffee based on their natural resources with continued support from Wisnu Foundation and JED.
- Across East, West and Central Java, most newly created businesses are anticipated to grow and sustain themselves creating additional jobs for their communities under leadership of YEEI graduates years after YEEI ends.

Intermediate Result II: Improved Access to and Relevance of Education and Employability Training

Summary of Intermediate Result Two Findings

Survey findings suggest that YEEI was successful in mobilizing local resources and using these local alliance to provide quality employability skills training to underprivileged youth groups including orphans, street and rural youth. Through three intervention types (integrated employability, entrepreneurship, and life skills projects), YEEI benefitted a total of 13,718 people of whom 13,202 are direct youth beneficiaries and 516 are indirect beneficiaries who have taken additional jobs created. Of 13,202 direct beneficiaries, an aggregated 5,547 participated in an average of six-month integrated employability skills training and 7,655 participated in a two-day life skills training.

Figure 8: Number of Direct and Indirect Beneficiaries

Number of direct beneficiaries participating in employability skills training	Number of direct beneficiaries participating in <i>life</i> skills training	Total Number of Direct Beneficiaries	Number of Indirect Beneficiaries	Total number of both direct and indirect beneficiaries
5,547	7,655	13,202	516	13,718

The quality and relevance of training was rated high by graduates who also provided suggestions to further strengthen the program. Suggestions include longer training periods for select projects, improving some training materials, and the need to continue providing follow-up support to those who have started their jobs or enterprises. The study also finds significant improvements in capabilities of graduates in both technical and life skills areas based on triangulation results. Survey findings also find improvements in participants' sense of identity, future aspirations, and the way they relate to the society.

Indicator 2.1: Number of disadvantaged youth who participated in the YEEI-supported programs

YEEI was mandated to serve underprivileged youth between the ages of 18 – 24, with some flexibility for slightly higher or lower age groups and gender considerations. All projects used YEEI selection criteria to screen and select trainees during the program orientation and recruitment process. Selection criteria used were as follows: 1) youth between 18-24 years of age; 2) youth from economically disadvantaged families; and 3) youth who demonstrated aptitude, commitment and potential. The YEEI program was introduced through local government offices, youth organizations or implementing partner network organizations in order to reach underserved youth from different backgrounds and geographic areas. According to survey responses, 54% of participants heard about the program from their friends or family members who were YEEI alumni; 28% from youth associations; ten percent from local governments; and six percent from their former schools. Following the application process, implementing partners interviewed prospective candidates to assess their interests, motivation, education and other background information.

Interviews found that there were no major challenges in the recruitment of the participants, except that each project struggled to limit the number of trainees based on proposed activities and budget. This was particularly because half of YEEI projects were designed to serve rural youth based on local needs resulting in high interest and more applications than anticipated from unemployed youth in target areas. The decision to support eleven projects also affected the number of beneficiaries reached and some YEEI projects reached less than 150 youth given substantial start-up costs including curriculum development.

The surveys found that about half of YEEI beneficiaries are within the desired age group of 18-24; 34% are slightly below 18; and 18% are slightly above 24. Reasons noted were focused on the need to balance between reaching those in the target age group and helping those from economically disadvantaged families that both demonstrated interest and aptitude. A quarter of youth served were working in the informal sector prior to joining YEEI, and 75% of youth were neither in school nor working, meaning a majority of youth had no opportunity to engage in productive activities previously.

YEEI benefitted a total of 13,718 people of whom 13,202 are direct youth beneficiaries and 516 are indirect beneficiaries who have taken additional jobs created. Of 13,202 direct beneficiaries, a total of 7,655 participated in a two-day life skills training and 5,547 (vs. 5,079 targeted) participated in an average of six-month integrated employability skills training. Of these 5,547 youth who participated in employability skills training, 52% are young women and 48% are young men, thereby achieving a roughly equal gender balance. Additionally, an aggregated 3,232 out of 5,547 were the first and second year vocational high school students who received entrepreneurship training, and are now continuing education.

Indicator 2.2: Number of disadvantaged youth who completed the YEEI-supported projects

Of 5,547 youth who participated in various employability interventions, 5,504 completed the training and subsequently received support from YEEI to find jobs or become entrepreneurs. YEEI experienced 45 drop-outs from four projects because they decided to pursue other educational opportunities, move or get married. In a few cases, trainees dropped out because felt that the training would not support their long-term goals. All Nike factory workers who received two-day intensive life skills training graduated; however, the study was unable to get statistics by gender. The total number of youth participated and completed for all projects except Nike life skills project are presented in Figure 9 below:

Figure 9: Direct Beneficiaries (Participated and Completed) by Gender and against Targets

	Target		Total Youth Participating		Total Youth Completing		Number of Dropouts	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Women	2,507	49%	2,872	52%	2,844	52%	28	0.97%
Men	2,572	51%	2,675	48%	2,660	48%	17	0.64%
Total	5,079	100%	5,547	100%	5,504	100%	45	0.81%

Figure 10: Program Graduates by Gender and Region

	Target		Actual		
	Number	Percentage	Number	Percentage	
•		By Gender			
Women	2,507	49.4%	2,844	51.7%	
Men	2,572	50.6%	2,660	48.3%	
		By Region		•	
Jakarta	2,977	58.6%	3,309	60.1%	
West Java	1,645	32.4%	1,669	30.3%	
Central Java	162	3.2%	163	3.0%	
East Java	260	5.1%	277	5.0%	
Bali	35	0.7%	86	1.6%	

As indicated above, YEEI was generally successful in achieving gender equality as envisioned – 52% of total trainees are young men and 48% are young men. Additionally, 49.4% or 2,507 of total program graduates are women and 50.6% or 2,572 are men. There were two projects (PKBM Cepat Tepat and CREATE) that were not able to achieve their target number of female participants. Explanations provided for this challenge included social norms and the nature of vocational/technical training provided such as automotive repair and chicken farm operators training.

Figure 11: Participants - Target vs. Achieved

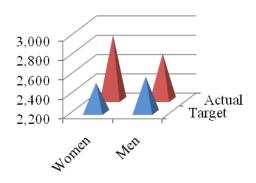
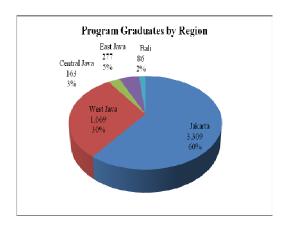


Figure 12: Program Graduates by Region



Indicator 2.3: Number of teachers and trainers trained under YEEI programs

YEEI did not focus heavily on teacher training because most implementing partners were direct training providers that appeared to have a cadre of experienced trainers. As such, YEEI generally provided funds only to refine and improve existing curricula.

One YEEI project that provided training for teachers was Prestasi Junior Achievement Entrepreneurship and Student Company project that trained 26 teachers (vs. 24 targeted) at five vocational schools in Jakarta on the Economics for Life (EFL) curriculum and the use of Oracle's Think.com software. EFL is an activity-based entrepreneurship lesson plans integrated within the normal curriculum. Oracle's Think.com intranet facilitates collaboration between students and teachers and promotes student company's products and services. These teachers subsequently trained over 3,000 vocational students. One issue noted was that the Oracle training was delivered in one day and the materials were in English. PJI subsequently translated the materials into Bahasa Indonesia to help teachers better understand the training content. The assessment found that the Oracle training could be improved in two areas to make it more effectiveness: training duration and monitoring the use of Think.com software on the school level. The training should be made longer in the future and that there should be more frequent monitoring visits to ensure the successful implementation of Think.com on the school level.

<u>Indicator 2.4:</u> Percentage of young men and women demonstrating improved capabilities through participation in YEEI-supported programs

YEEI projects were designed to help youth gain practical knowledge and skills in order for them to find quality jobs or establish small businesses. Since YEEI's mandate was to serve underprivileged youth such as out –of-school, rural and street youth, projects provided non-formal technical training which provided employability skills training to youth rather than engaging in formal educational activities. Training

activities were designed based on local needs and market demands. Even though all training activities were varied in nature, they all entailed two fundamental areas: hard/technical skills and soft/life skills – followed by on-the-job training and job placement services or enterprise development support. Technical skills training entailed two components -- in-class and on-the-job training. In-class training activities lasted anywhere from three to six months followed by an average three-month on-the-job training. On the other hand, soft skills training was designed to complement the technical skills training so that graduates would know how to work in teams, solve problems and adopt good work ethics when they start working. Life skills topics range from time management, team work to communication skills and self confidence.

Implementing partners used their own systems to track the performance of trainees over the project life and measure competency gains such as tracking test scores, performance-based scores based on field work and feedback provided by internship providers, or the number of graduates who received government certificates. For entrepreneurship programs, partners used observation and tracked the success of youth-led businesses to monitor their performance and competency gains. Survey results suggest that there are substantial improvements in capabilities of graduates across YEEI projects in areas of technical knowledge and skills, leadership and life skills.

Using triangulation, test scores and overall patterns were also scrutinized for select projects to validate this finding. For instance, in the CREATE training program, average pre-test and post-test scores for the same group of beneficiaries were calculated for comparison purposes and significant improvements were observed – an average score of 4.5 before the training and 7.3 after the training. Another example is the Cepat Tepat motorcycle and car engine repair training project in Karawang – where all graduates passed the examination with high average scores (6.85 for car engine repair and 7.4 for motorcycle repair on a scale of one to ten) and have been certified by the local Education Office in Karawang.

Similarly, 95% of graduates agreed that they have acquired the necessary non-technical or life skills to gain jobs and do their jobs well. Ninety-two percent of youth reported feeling more positive about their future as a result of participation in the YEEI program. Major improvements are seen in the following domains: communication skills, listening skills, self-confidence and sense of initiative, and conflict resolution. However, the study discovers that not all projects placed an emphasis on providing life skills and therefore a small percentage of students did not fully feel that they have substantially improved their life skills. The assessment also finds that some trainees did not fully understand what life skills meant. This is because several projects delivered life skills lessons informally while students were undergoing inclass and on-the-job training, and did not explicitly explain why it was an important component of the training.

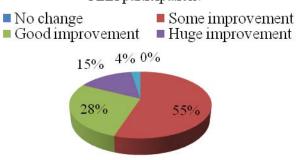
As noted previously, YEEI allowed partners to use their own curricula for both technical and life skills training which made it challenging to systematically measure competency gains. While there were no issues with the technical component, life skills training could be improved in terms of the content, delivery and performance monitoring. This might have affected the quality of life skills training delivered. Given the overall importance and value of life skills, future YEEI-like projects should standardize and deliver life skills lessons more seriously and systematically.

YEEI also intended to prepare youth to take their place in the market as responsible, confident and productive adults with strong leadership and civic engagement skills. Therefore, the study looked at what effect the training has had on the way youth feel about themselves and their future aspirations. Of particular note, 98% of youth, who would have continued to work in the informal sector or look for opportunities, felt that they now have confidence and a marketable skill set, and overall felt more positive about their future. The study sees substantial improvements in their sense of identity and the way these out-of-school youth relate to their communities and vice versa. Having an alliance that supports them becomes a source of pride and inspiration for them to work hard and make a successful transition to responsible adulthood. This has become a driving force for them to look for more opportunities to strengthen their education and practical skills.

- Fifty four percent of youth responded said that they wanted to pursue further education and work at the same time.
- Eighteen percent of youth responded said they did not want to pursue higher education because they wished to work to earn money immediately.

Figure 13: Level of Change in Youth's Self-confidence

Survey Question: Did your self-confidence improve as a result of YEEI participation?



<u>Indicator 2.5:</u> Level of satisfaction of young trainees with the quality and relevance of the training, counseling and services received through YEEI programs

Survey results indicate that program graduates are generally happy with the quality and relevance of training provided as detailed below:

- Ninety-four percent of graduates said the quality of training materials was either *good* or *excellent*. Only one percent of the surveyed was not satisfied with the training materials.
- In terms of relevance of the training, 15% of graduates felt the training was *excellent*, 67% as *good* and 18% as *fair*.
- Ninety-two percent of graduates received counseling, mentoring and job placement support from YEEI upon graduation. This appears closely linked with overall job placement success of projects.
 For example, four employment projects (CREATE, Cepat Tepat, JBL and YP3IS) achieved high placement rates between 79% and 90%.

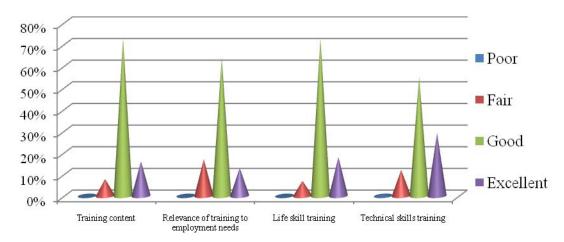


Figure 14: Youth Satisfaction with YEEI Employment Training

Of 98 entrepreneurs surveyed, 25% received financial and business support from YEEI to establish their own businesses and 75% became part of youth-led group businesses supported by YEEI. A majority of YEEI entrepreneurship projects were designed to help youth form group businesses offering motorcycle and car engine repair services, making handicrafts, snack food, organic fertilizer, carpets and organic farming based on local demands. CREATE chicken farm operators training, Kakak tempe chips production and Bina Swadaya catfish farming projects in particular provided financial and business support to youth to set up small businesses on their own. With regard to youth satisfaction with YEEI entrepreneurship projects, when asked to rate the quality of business support received, 19% of participants said it was excellent, 72% as good and 9% as fair. Additionally, 97% of entrepreneurs

surveyed felt that they had gained the necessary entrepreneurial skills to start a business upon graduation.

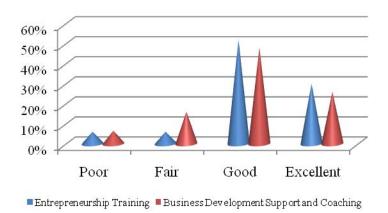


Figure 15: Youth Satisfaction with YEEI Entrepreneurship Training

Some youth also provided additional comments on the quality and relevance of overall YEEI training as follows:

- 1. YEEI has good training materials (reported by 100 respondents)
- 2. YEEI training has helped us get jobs (by 85 respondents)
- 3. YEEI training materials are easy to understand (by 97 respondents)

While generally positive, a number of youth participants felt that the training materials and facilities could be improved. In particular, it was noted that the training was not long enough for them to acquire optimal jobs. Based on these comments, the team had discussions with implementing partners in order to investigate how these projects were initially designed and provide recommendations for improvement for future programs. The study found that most training programs are designed as basic, short courses rather than in-depth courses to help underserved youth get jobs right after the training. In some cases, the jobs that youth were able to find did not fully match the training they had undergone because not many jobs were available in the market and young people took what was available to them. The duration of the training was another reason stated because some participants felt that it should be made longer in order for them to further strengthn their skills. In this respect, the CREATE chicken farm operators training participants admitted that the overall training was very good; however, they felt that there were technical skills areas that were not covered by the condensed version of the program offered by SMK Farming Pati because of time constraints. Furthermore, projects such as Cepat Tepat, purchased basic tools for the training and field work, and some youth had to adjust using more sophisticated tools at workplace. In addition, for projects such as CREATE and Cepat Tepat, YEEI graduates had to compete with regular vocational students who typically undergo a much longer training.

<u>Indicator 2.6:</u> Number and percentage of youth who completed YEEI training and report that they have referred to at least another youth to the program

In order to determine the level of satisfaction of youth with YEEI projects, the assessment also asked whether graduates would refer other youth to YEEI projects and received responses from 85 youth. A total of 63 youth (84% of respondents) said they would be willing to refer the training to other youth. Nearly forty youth surveyed said that they had in fact referred this program to others. This also reinforces the earlier conclusion that a majority of participants had positive experiences with the program and were satisfied with the quality and relevance of training they received. Twelve youth (16% of respondents) said they would not because of their disappointment with the salaries received at entry-level positions. Of particular note in this respect, some of these respondents were vocational high school students from Junior Achievement Program and did not have an opportunity to apply their knowledge at actual work places, which should be considered for future applications of this program.

Intermediate Result III: Improved Prospects for Employment and Successful Entrepreneurship

Summary of Intermediate Result Three Findings

YEEI has successfully placed 714 youth (84%) out of 850 vocational training graduates who were ready to get jobs, which represents 88% of the program target of 810 youth to be placed in jobs. Additionally, YEEI enabled 360 youth (83%) out of 436 entrepreneurship training graduates to successfully launch and sustain their own businesses. This represents ninety percent of the target of helping 399 youth become entrepreneurs and launch small businesses as presented in Figure 16 below.³

Figure 16: Overall Numbers and Rates of Graduates Employed and Self-Employed Against Targets

	Number of	Actual	Job	Number of	Actual	Entrepreneurship
	youth	number of	placement	youth	number of	Success rate
	targeted to	youth	rate against	targeted to	youth who	against the target
	be placed	placed in	the target	become	became	
	in jobs	jobs		entrepreneurs	entrepreneurs	
Female	419	149		148	123	
Male	391	565		251	237	
Total	810	714	88%	399	360	90%

More than half of the employers interviewed stated that YEEI graduates are "much better" than other graduates from similar backgrounds. Several employers also mentioned that YEEI graduates exhibit strong technical skills, work ethic, and willingness to learn. Over ninety percent of employers think that YEEI has been able to provide qualified graduates for the business sector, thereby closing the gap between employers' needs and employees' qualifications. Suggestions include further strengthening the technical and communication skills of some graduates and familiarity with more sophisticated equipment.

<u>Indicator 3.1:</u> Number and percentage of YEEI trainees who get a job within six months of completing the program

YEEI provided two types of employability training – employment and entrepreneurship based on local needs and interests. Through its employability interventions, YEEI intended to improve the employment status of 810 youth by helping at least sixty percent of them get quality jobs. Over the three-year program period, YEEI has successfully placed 714 youth in jobs, which represents 88% of the program target of 810 youth to be placed in jobs, and 84% of the 850 vocational training graduates who were ready to get jobs. This does not include 516 jobs that YEEI created through enterprise development.

Effectiveness of Job Placement Services

Ninety-two percent of survey respondents said they received counseling, mentoring and/or job placement services from YEEI. Program graduates who are working were surveyed to determine how long it has taken them to find jobs - 88% secured jobs within the first three months upon graduation and six percent received jobs within four to six months after graduation. This demonstrates the success of partners in placing youth in jobs in a relatively short period of time. Of all graduates who got jobs within the first six months, 77% are male and 23% are female. Only three people got jobs after 6 months upon graduation. As also discussed in Indicator 2.6, YEEI graduates are working in the following sectors: automotive and motorcycle repair (10.4%), chicken farming (10.4%), computer assembly, financing and seller (47.9%), T-shirt industry (12.5%), youth-led enterprises in Northern Jakarta (6.3%) and fish fillet industry (12.5%).

³ It is important to note that a good majority of the individuals benefited by the program were not eligible for job placement, either through the Nike Champion workers life skills training project for current workers or the Junior Achievement project for current students, which together numbered 10,887 beneficiaries.

Geographic areas include:

- West Java Province: Bogor, Karawang, Bandung
- Central Java Province: Pati
- East Java Province: Surabaya, Pasuruan, Sidoarjo, Jember, Sumenep, Gresik, Tulung Agung, Jombang
- Northern part of Greater Jakarta (DKI Jaya)

Capabilities of implementing partners were varied and the study notes that YEEI team made necessary adjustments to provide mentoring and other support effectively based on local needs. Some partners have come in with long institutional track records and their own networks, for example, YP3IS has an organization network of over 30,000 Zakat donors who are business owners or managers in Surabaya. The project strategically used the network to place youth in computer-related jobs. On the other hand, other partners requested more technical assistance and mentoring support from YEEI to establish alliances and improve program effectiveness. Overall, they needed more support with the job placement component which was relatively new to them. YEEI took a hands-on approach during the job placement period and invested significant resources establishing partnerships with local businesses aiming for high job placement rates. As previously mentioned, most participants were channeled into the job market by implementing partners through a mechanism that allowed partners to access, test and employ YEEI graduates.

YEEI's job placement success can be attributed to the following:

- 1. Industrial knowledge of implementing partners
- 2. Ability to respond to local markets by conducting high quality and relevant training (combining technical, life skills, equivalency education, and on-the-job training) followed by job placement services and follow-up support
- 3. Ability to develop and sustain good partnerships with local businesses that were experiencing strong growth, and engage them in curriculum review, internships and job opportunities
- 4. YEEI's success in creating a culture of working effectively and collegially in alliances

Change in Employment Status: Among graduates surveyed, 37% had jobs prior to joining the program and 63% of youth did not have jobs. YEEI placed an emphasis on helping youth acquire decent jobs and better their future and this result suggests that YEEI has achieved this goal: 85% of youth who were previously working reported that they are now earning more income as a result of participation in the YEEI program.

<u>Indicator 3.2</u>: Number and percentage of YEEI trainees who continue education, obtain an internship or engage in further professional training within six months of completing program

Ninety-seven percent of the respondents underwent internships while three percent were not able to find appropriate internships. The internship period was typically two months and afterwards graduates received support from YEEI to acquire a stable job with either internship providers or new companies. Substantial negotiations took place at this stage and this was the most stressful and busiest time of the project.

Prestasi Junior Indonesia is the only project whose beneficiaries continue their studies after the training completes. The project provided entrepreneurship knowledge and opportunity to run school companies to vocational high school students in grades ten and eleven. Sekar street youth project also provided support to twenty of its beneficiaries to receive education equivalency program (i.e. elementary and secondary level) because most of them are street youth who dropped out of school. There are two projects (CREATE and YP3IS) where six graduates decided to continue further studies upon completion of the training.

<u>Indicator 3.3</u>: Number and percentage of YEEI trainees starting their own businesses within six months of completing the training

YEEI enabled 360 youth (83%) out of 436 entrepreneurship training graduates to successfully launch and sustain their own businesses. This represents ninety percent of the target of helping 399 youth become entrepreneurs and launch small businesses.⁴ Specifically, 35% of 360 entrepreneurs were women. They

⁴ It is important to note that a good majority of the individuals benefited by the program were not eligible for job placement, either through the Nike Champion workers life skills training project for current workers or the Junior Achievement project for current students, which together numbered 10,887 beneficiaries.

formed 32 business groups of which each group typically consisted of five to ten people. A small portion of these start up entrepreneurs originally graduated from the employment training projects. It is part of the YEEI initial design with the implementing partners of employment projects in particular to facilitate training graduates who demonstrate aptitude and interest to start their own businesses or those who are unable to find jobs in areas where jobs are extremely scarce.

Figure 17: Entrepreneurs by Projects and Gender

	Female	Male	Total
Entrepreneurship Projects			
KAKAK	7	5	12
Bina Swadaya Indramayu	9	11	20
Wisnu	21	9	30
PUPUK Surabaya	15	33	48
ALIT	39	85	124
SEKAR	14	61	75
Employment Projects			
CREATE	-	5	5
Jendela Budaya Lingkungan	8	3	11
PKBM Cepat Tepat/Aditya	10	25	35
Total	123	237	360

Upon completion of the vocational training, graduates received financial, business and other support from implementing partners to set up small businesses or business groups depending on initial project design. In some projects, they were provided with working capital such as raw materials and production tools. Besides working capital, the implementing partners continued to give technical supervision and business management training to the youth, such as marketing, bookkeeping and business development.

YEEI struggled to implement entrepreneurship projects in the beginning due to three reasons: 1) cultural norms that discourage youth to become entrepreneurs; 2) external shocks such as natural disasters and sharp increase in consumer prices that threaten the existence of enterprises; and 3) lack of the same level of sufficient experience of some partners to implement entrepreneurship components of their overall employability interventions. The study finds that the following remedial actions have helped YEEI overcome these challenges and contributed to the success of newly established businesses: 1) Providing hands-on support and strategically using the power of alliance to keep young entrepreneurs stay motivated and focused; 2) Mobilizing additional resources to counterbalance these shocks and reinstate project activities; and 3) Hiring business coaches to strengthen and sustain businesses in precarious situations.

Meeting the need for substantial, hands-on mentoring support

During its mid-term evaluation, YEEI learned that capacity building workshops alone were not enough and that partners needed more hands-on mentoring support in the first six months after businesses have been established. Therefore, it took an important step of hiring local business coaches to help businesses that were struggling in Yogyakarta, Jakarta and West Java and improve their product development, marketing and sales. They included *tempe* chips production businesses (affected by recent increase in consumer prices such as cooking oil and *tempe*), organic fertilizer business run by former street youth, and fish filet industry in West Java.

YEEI business coaches specifically helped the fish filet industry develop a new product (crispy fish snacks) and market it effectively with support from the local government. The coach also helped *tempe* chips entrepreneurs diversify their products and establish as a legal cooperative so they could get access to credit. Sekar youth engaging in organic fertilizer business have decided to also make recycled art paper to fulfill overwhelming demand that other groups cannot meet in North Jakarta. The coach also helped this business group to get access to credit so that they could increase their capacity and acquire new tools to make recycled art paper.

Sustaining new enterprises and attitudinal changes

The study concluded that ninety percent of newly created businesses met and surpassed benchmarks established including carrying out production and sales, maintaining an appropriate bookkeeping system, making profits, and sustaining after six months of establishment. Bina Swadaya project in particular has become the most successful entrepreneurship project model and youth-led businesses been able to create 140 additional jobs for the community. They expanded their business operations with continued support from YEEI partners - added six additional catfish ponds and established a small fish feed production businesses.

During the project implementation, YEEI noted that creation of sustainable, successful new businesses needs more time than one year. It entailed not only equipping the youth with technical and entrepreneurial skills but also changing their mentality to become successful, confident decision makers and entrepreneurs. Despite this challenge, YEEI has reached agreements with several implementing partners that they will continue providing informal assistance to these entrepreneurs to the extent necessary after YEEI ends, which will hopefully continue to nurture the development of these young entrepreneurs.

<u>Indicator 3.4</u>: Level of employers' satisfaction with the soft skills and/or technical skills of YEEI trained youth

A total of 19 employers participated in this evaluation representing the following sectors: automotive and motorcycle repair shops (31.6%), chicken farming or poultry industry (31.6%), computer assembly and seller (5.2%), T-shirt industry (15.8%), handicraft business (5.2%), training institutions (5.2%) and financial sector (5.2%). The study also attempted to determine how employers came to know about the program through the employer survey: 63% were approached directly by partners, 13% learned about the program from program brochures and 25% said the program was introduced and referred to them by their contacts.

In terms of employers' satisfaction, 69% of employers rated the overall performance of YEEI graduates as *good* and 31% as *fair*. In terms of performance in this area, as mentioned previously, a number of projects provided basic, short-courses preparing out-of-school youth for work rather than 2-or 4-year vocational school programs. As such, while some employers use quite sophisticated technology and equipments and the evaluation suggests that youth did not have such experience nor the time to necessarily adjust the skills they had to support them in this area. In turn, YEEI has made adjustments in their process, with arrangements made with implementing partners so that graduates are given an option to continue to receive some additional training to further refine their skills during on-the-job training and when they start working.

In addition, employers were asked to compare YEEI graduates with other employees from similar age range and backgrounds. 56% of employers think that YEEI graduates are *much better* and 44% think they are *similar*. Several employers also mentioned that strong technical skills and their willingness to learn and work are strengths of YEEI graduates. Other employers, however, noted that weaknesses include the need to improve technical skills of some graduates they have hired and to further enhance communication skills to work effectively in professional settings. Some survey results worth highlighting are as follows:

- Ninety percent of employers think that YEEI has been able to provide qualified graduates for the business sector and it is closing the gap between employers' needs and the employees' qualifications.
- Ninety-three percent of employers said they would consider offering jobs, internships or apprenticeships to YEEI graduates in the future.
- In terms of how companies recruited youth, 63% of businesses interviewed were approached directly by YEEI partners and 13% learned about the program through brochures and posters. Twenty-five percent of employers said youth were referred by their contacts.
- The study also assessed how these companies recruited YEEI graduates for internships and/or jobs and results are as follows: 78% through YEEI partner NGOs that submitted resumes on behalf of graduates, 11% through company outreach and competency tests given at the training site and 11% through internship or job applications sent directly by graduates.
- It also attempted to determine whether YEEI program has had any effect on the human resource management practices of companies. Sixty-three percent of employers said that their companies plan to become more involved in YEEI-like alliance-based programs focusing on youth

employability. Twenty-five percent said that they are more open to the idea of providing internships and mentorship support to youth in general. Thirteen percent stated that they are likely to recruit youth through YEEI and other similar programs as a result of participation in the YEEI program.

Employers were also asked to provide suggestions and comments on the overall training - 57% of employers stated that soft skills and some areas of technical skills can be further strengthened. Twentynine percent said the training should be made longer so youth can acquire more experience and confidence. Fourteen percent said that the training is already very good and that it should be continued. Employers of youth graduated from engine repair training and chicken farm operators training added that they should develop familiarity with the most advanced technology and tools particularly for the car and motorcycle engine repair and chicken farming.

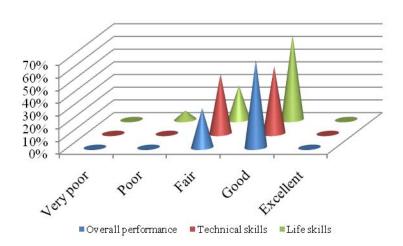


Figure 18: Employers' Satisfaction with YEEI Graduates

<u>Indicator 3.5:</u> Number and Percentage of Youth with Internships and Apprenticeships

Implementing partners' good relationships with companies have resulted in a high internship placement rate of 97% for YEEI. These are small to medium businesses such as chicken farms, auto-repair shops and other industries. During the internship period, YEEI partners met with employers on a regular basis to monitor the progress and performance of the interns and the trainees to provide counseling and plan for job placements after the internship.

Below are some survey results worth noting in terms of internships on the program:

- When asked to rate their internship experience, 29% of youth surveyed said it was *excellent*, 53% as *good* and 18% as *fair*. Seventy-three percent were male and 27% were female.
- In terms of the relevance of assignments to the training received, 53% said it was *good*, 12% as *excellent* while only 1.5% said it was *poor*.
- As for technical skills learned, 56.7% surveyed stated *good*, 6.9% *excellent* and another 30% stated *fair*.
- In terms of coaching received during internships, 75% mentioned coaching was *good*, another 10% stated that it was *excellent*, and the remaining 9% said it was *fair*.

What they found most useful was the opportunity to learn new technical skills or refine their skills learned in classrooms. Below are some additional comments from the graduates:

- It provided the participants with knowledge and skills they have not learned during the training (reported by 16 people).
- It was an opportunity to practice skills they have learned in classrooms (reported by 15 people).
- It provided additional experience (reported by 12 people).

• The internship does not fit with the training (reported by 1 person) because he had different expectations after the internship period to be directly employed at the firm and was disappointed when he was not.

Indicator 3.6: Number and percentage of placed youth who declare having a satisfying and quality job

Most of the graduates were channeled for jobs with assistance from the implementing partners who had made agreements with businesses to offer internships and jobs to graduates. Existing relationships based on mutual understanding enabled implementing partners to monitor the performance of the graduates regularly. The monitoring also became a good strategy for the implementing partners to discuss the progress with the graduates: whether they were any technical or non-technical issues at work and how they could best handle them. Job evaluation survey results are presented below:

- Eighty-eight percent of them reported that they are happy with their overall work environment. Twelve percent of graduates said they were unhappy because they had hoped for better-paid jobs or because they had to relocate to places far from home.
- In term of relevance of training, 75% are happy and 13% are very happy with their field of study in relation to their current jobs. Only 12% are unhappy because their current jobs are not in the same field they focused on or lack of adequate equipment in the workplace. Some felt that the training could be extended to provide them with more experience.
- Fifty-six percent are happy with the support they are receiving from their supervisors and/or peers whereas 38% are unhappy.

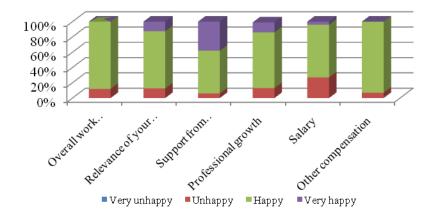


Figure 19: Job Satisfaction of YEEI Graduates

Those who had previous jobs provided the following responses:

- Fifty percent of them said that the opportunities for professional growth are *better* now; 30% stated that they are *much better*, and 20% claimed that the professional growth opportunities were the *same* compared to their previous jobs.
- Eleven respondents participated in the salary level survey reported that 64% of them had similar salary levels, and 38% of them said the current salary is *better* or *much better*.

This indicated that most of the graduates are satisfied and happy with their current jobs. Those who are not satisfied with their current jobs (12% of the respondents) reported their reasons as follows:

- Disappointment with lower salaries than expected;
- Current jobs not being in their interests; and
- Current jobs not fitting with the training.

Those who had previous jobs were asked to compare their former jobs with current jobs received after graduating from the YEEI program. Seventy-three percent of youth reported that their current jobs are either *better* or *much better* while 27% said they are *similar*. This further supports the conclusion that YEEI helped youth land better jobs and improve their livelihoods.

<u>Indicator 3.7:</u> Number and percent of youth (who had prior jobs) earning more income as a result of participation in the YEEI program and net salary increase of youth

Most of YEEI participants did not have a job before joining the program. Those who lived in rural areas were mainly doing unpaid work by helping run their parent businesses or small farms. Meanwhile those who lived in the large city like Jakarta and Surabaya were doing nothing or surviving as street singers. Among 115 respondents who provided their answers on the related job evaluation questions in the survey, 37.4% of them already had jobs before the training and 62.6% of them were unemployed before the training. Among graduates who reported their salaries:

- Twenty-seven percent of youth are earning below IDR 500,000 (US\$ 50) per month;
- Fifty-two percent of youth are earning IDR500,000 1,000,000 (US\$50-100) per month; and
- Six percent of youth are earning above IDR 1,000,000 (US\$100) per month.

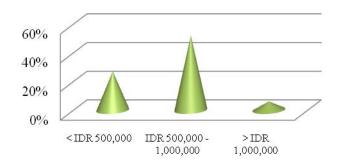


Figure 20: Income Levels of YEEI Graduates

Participants receiving less than IDR 500,000 (US\$50) are currently working in various sectors including T-shirt and fish filet industry. The level of income is mostly determined by their experience and scale of the businesses they work for. Six percent of respondents reported their previous salaries as uncertain because they were doing seasonable jobs in Bali. Most of these respondents are still attending schools and not fully involved in the ecotourism business managed by the village community. For surveyed respondents who already had jobs before the training program:

- Eighty five percent of them reported that they are earning more money after completing the program. The salary increase depends on the sectors that they are in. For instance, one participant from Cepat Tepat project was able to get 45% salary increase. Meanwhile, a participant from JBL project was able to get 33% salary increase.
- Graduates in Karawang and Pati are earning much more than the minimum wage in these areas. Those in Surabaya are earning close to the minimum wage. In many cases, employers also provide meals and housing to YEEI graduates/employees.
- Fifteen percent of graduates surveyed reported that they did not earn more money after graduating from the program. There are two reasons: some of the graduates are switching from their old jobs to new sectors for them with minimal experience in the new area, so that they had no bargaining position in getting income increment. Another reason is that some decided to remain in the same field after joining the program to enhance their knowledge and skills.
- Of 74 young entrepreneurs surveyed, 45% had jobs prior to joining the program and 55% did not. Those who had jobs before were asked whether they were earning more income with newly established businesses. Of 36 who responded, 42% said *yes* and 59% said *no*.
- Eighty percent of surveyed youth-led businesses reported making profits. Sixty-eight percent of entrepreneurs reported that they would not have been able to establish businesses without YEEI support. Thirty-two percent of graduates said they would have been able to anyway with financial support from their parents and relatives.
- Thirty-three percent of entrepreneurs *rep*orted that they have hired new employees for their new businesses. These new jobs created are for a mix of both young people and adults in the

community. Some of them are part-time or seasonal jobs to help with tempe chips production or cat f is harvesting. Jobs created in West Java's fish filet industry are based on daily demand for Kuniran fish.

Intermediate Result IV: Positive Indirect Effect on Families and Communities of Youth

Summary of Intermediate Result Four Findings

The study shows that the program is successful in helping most youth successfully enter the labor market and start earning regular incomes through new jobs or enterprises. With new incomes, graduates are beginning to financially help their parents, siblings and spouses/children for daily consumption needs, education and health expenses. They are spending their income wisely and saving part of their income for future investments, business expansions, and as emergency funds. More than half of the graduates surveyed reported that the financial and social situations of their families. YEEI-supported enterprises have also created more than 500 additional jobs that have generated primary or secondary incomes for the communities.

<u>Indicator 4.1:</u> Number and percentage of employed youth financially helping their families for household, health and education expenses

The study found that most of the youth share their income with their parents and siblings now that they are able to work and earn regular income through jobs or new businesses – as a way to repay parents' gratitude and an act of becoming a responsible adult. Out-of-school youth in rural parts of Indonesia tend to get married early and a number of youth YEEI served are in fact married and have children. They tried to support their families by doing informal jobs prior to joining the YEEI program. Now with improved employment status, most of them are able to hold stable jobs with regular incomes that they can begin saving for their future, invest in their children's education and cover health expenses.

This assessment also studies how youth use their earnings and results are as follows:

- Twelve percent of youth who are married and have their own families said they use their earnings to support their spouses and children;
- Fifty-nine percent of youth are financially helping their parents and siblings to cover basic needs, education and health expenses;
- Forty-six percent use their earnings for daily personal needs such as paying for rent, food, clothing and cell phone bills; and
- Fifty-nine percent are saving part of their income for the future.

How do you use your income?

60%
50%
40%
30%
20%
10%
Support Support Personal Savings Others use
(and and children) siblings

Figure 21: How Youth Use Their Earnings

<u>Indicator 4.2:</u> Number and percentage of youth who have reported improved financial and social conditions of their families

The study seeks to determine not only how many youth are helping their families but how many feel like they now have ability to improve financial and social conditions of their families.

- Fifty-nine percent of graduates stated that that their financial support (with the income they shared) helped improve their family's financial and social situation.
- Thirty-one percent claimed that their support somewhat improved the situation.
- Ten percent said there was no change because their income is not enough to support their families yet after spending it for personal needs.

The study also examines how the families are using the money shared by youth:

- Eighty-four percent of families use the money primarily for basic needs and household expenditures.
- Sixteen percent for other uses such as health and education for children in the family.

Indicator 4.3: Number of jobs created for community as indirect beneficiaries of YEEI projects

YEEI-supported enterprises have also created 516 additional jobs that have generated primary or secondary incomes for the communities around the youth. These jobs are typically part-time jobs depending on where these enterprises need help. For example, in the BSI cat fish farming project, additional workers are engaged in areas of the construction of catfish ponds, harvesting, sorting and marketing fish. This provides a good opportunity for the communities who are already in the same job market and want to take second jobs to meet their basic consumption needs or earn extra income. Businesses like BSI catfish farms – which were able to expand with continued support from the local steering committee - have demonstrated that they will be able to grow further and employ more youth from the community with continued support from the local alliance that YEEI established in West Java. Similarly, in Ereton Kulon village, the YEEI-supported fish filet industry has created additional jobs for the community of which an estimated thirty percent of indirect beneficiaries are women. These people supply fish fillets to the industry and earn more than Rp.1 million (\$100) per month depending on the demand and their production capacity. Overall these jobs appear to be sustainable even after the program ended in 2008.

Section IV: Challenges, Lessons Learned and Recommendations

Part I: Building and Reinforcing Alliances

The study finds that putting in place a robust process for Board and Alliance participation has encouraged meaningful collaboration at various stages of implementation, and improved the program design, quality and effectiveness (manifested in high job placements and successful enterprises). However, the establishment of such process requires considerable resources in terms of time, human resources for coordination efforts and others. In this respect, despite overall success, particularly in terms of sustainability through new partnerships, the intensive process of partnership development appears to have taken a toll on partners, with a number suggesting the process was too difficult.

In addressing this basic challenge, it appears that one important strategy is to normalize roles and expectations within partnerships as quickly as possible. In this respect, as activities are implemented, YEEI learnings suggest that roles and responsibilities of each partner have to be clearly defined and agreed to achieve optimal results. Moreover, it is important to ensure a reasonably even distribution of roles and responsibilities, both in terms of fairness and also broadening the platform for expansion of initial program successes through multiple channels, In this respect, relying heavily on one player and implementing partner not having sufficient market information or expertise can have detrimental effects on the project if challenges arise, and, alternatively, will prove more difficult in ensuring sustainability or expansion if programs are ultimately proven successful. Additionally, YEEI has learned the importance of putting in place some measures that hold partners accountable and responsible – similar to how YEEI was held accountable by the Steering Board. The cultural context and multiple partnership arrangements often makes it uncomfortable for people to share unpleasant news, and in a few cases this affected the quality of projects delivered. Importantly, YEEI took remedial actions as issues surfaced during mid-term evaluations, and since then, has paved ways for open and honest communication channels.

Recommendations

- Train local staff on how to generate public interest and forge public-private alliances; reinforce
 alliances in appropriate cultural contexts; and negotiate and resolve conflicts if crisis arises.
 Knowledge transfer to local staff helps promote the scalability and sustainability of alliance-based
 projects.
- Dedicate sufficient program management support staff to fill the various roles that alliance programs demand.
- Recruit a group of like-minded civil society and private sector leaders to serve as champions and a collective force to promote youth employability.
- Establish a process where both Board and Alliance members are given an opportunity to engage and contribute to the program. Soliciting their feedback is critical for all stages of the implementation, particularly program design and post-midterm evaluations. In case Board or alliance members have time constraints to attend regular meetings, make an effort to have a telephone conversation or individual meeting to solicit their feedback and guidance.
- Develop alliances based on mutual respect and understanding. If possible, go beyond legalistic, formal partnerships and build vibrant alliances with a shared sense of purpose and responsibility. To the greatest extent possible, leverage local cultural approaches that encourage caring for and partnering with local communities to achieve social good.
- Clearly define roles and responsibilities of each alliance member and keep each other accountable and responsible throughout the project.
- Encourage knowledge sharing and open communication among partners.

Part II: Co- Designing and Implementing Effective Alliance-driven Employability Programs

YEEI's approach to review initial concept notes and co-create projects (such as brainstorming ideas to improve the design and seeking corporate support if absent) with local NGOs has worked well. For CSR community empowerment projects in hard-to-reach areas, conducting community research and then co-designing the project with corporate partners and local community development experts has proved to be helpful in ensuring that economic activities are locally driven, relevant and viable. Involving all

stakeholders in the design and implementation stages has encouraged them to take ownership and also has helped increase program potential.

YEEI's strategy to design and provide tailored comprehensive skills training based on the needs of youth has helped graduates are fully prepared to enter the job market or start new businesses. Soliciting feedback from youth is imperative and projects that have done so appear to have performed better. Regular feedback meetings with internship providers are helpful because it helps youth improve their performance and increase their chances of getting jobs. YEEI has however learned that providing the follow-up support to out-of-youth (who are employed or running businesses for the first time) is important, and therefore, incorporated this into program designs so that youth can make a successful transition into the labor market.

YEEI learned halfway that workshops alone were not sufficient to build the capacity of local implementing partners and substantial mentoring was required for entrepreneurship activities because of varied degrees of capacity on the ground. Retrospectively, the program should have closely assessed the capacity of each implementing partner to determine areas where they need assistance at the program outset. Hiring local business coaches have enabled the projects to take corrective actions for businesses that were in precious situations, and strengthened their business activities.

Recommendations

- Engage all key stakeholders during the design stage particularly training providers, prospective employers and local experts to increase the quality, relevance and effectiveness of the training.
- Tailor comprehensive skills training activities (combining life and technical skills, computer literacy, equivalency education and on-the-job training) based on local needs, followed by internship and job placement support.
- Integrate the follow-up support as a key component of program designs and provide the follow-up support at least for the first six months as youth enter the labor market. This can also help correct cases of skills mismatches.
- Engage youth in meaningful ways. Solicit feedback and consult with them on a regular basis.
- Assess the capacity of implementing partners at the program outset to see where they need
 assistance. If there is no in-house expertise in a particular industry area, engage outside experts
 who can provide substantial mentoring support to young entrepreneurs at least for the first six
 months of establishing enterprises. Set program benchmarks to monitor the progress of new
 businesses. And be prepared for external, unanticipated shocks that can seriously affect business
 operations.

Part III: Engaging the Private Sector

YEEI's ability to engage the private sector for program design and employment support is absolutely crucial for the program success. Having potential employers review and approve the curriculum materials confirms that the skills training provided are demand-driven and relevant. Giving local business partners access to a pool of qualified graduates and ability to test and recruit them through competency exams or internships have led to high job placement rates. Regular feedback meetings with employers have also enabled the program to improve the quality of graduates produced.

Recommendations

- Find innovative ways to mobilize and recruit local businesses such as outreach visits and calls presenting the program and benefits of joining the alliance.
- Engage them meaningfully tapping into their knowledge and expertise, and involve them in curriculum design and pilot activities.
- Give them access to program graduates for internships and job opportunities. Ask for regular feedback regarding the performance of graduates and improve the quality and relevance of the training.

Annex A: Summary of YEEI Projects

The following table provides information on main activities, total direct youth beneficiaries (both target and achieved), and location of each YEEI project:

No	Implementing Partner	Main Objective	Location	Target	Achieved
1	Yayasan KAKAK	To help youth and farmers in earthquake affected areas near Yogyakarta to generate additional income and new employment in the local food snacks (tempe) industry	Klaten (Central Java)	12	12
2	Bina Swadaya Indramayu	To provide youth on the northern coast with access to entrepreneurial education and financial support to establish small catfish enterprises through better use of sustainable local resources	Eretan Wetan Village, Indramayu (West Java)	20	20
3	KUD Mina Bahari	To support the establishment of a local fish fillet industry in the village to expand local youth employment opportunities and increase income through the better use of sustainable resources in coastal communities in West Java	Eretan Kulon Village, Indramayu (West Java)	20	20
4	Prestasi Junior Indonesia	To provide high vocational school students with essential knowledge and confidence to undertake structured entrepreneurship in the future and improve their employability prospects	Jakarta	2,900	3,232
5	Yayasan WISNU	To provide ecotourism and management training to youth to make them become productive and engaged in the local ecotourism business and reduce urban migration	Four Villages in Bali, namely Tenganan Pegiringsingan, Sibetan, Nusa Ceningan and Kiadan-Pelaga	37	86
6	CREATE	To equip rural youth with the necessary skills to take advantage of career opportunities in the broiler chicken industry	Pati (Central Java)	150	150
7	East Java Consortium (PUPUK Surabaya, ALIT, YP3IS)	To invest in the neediest youth, particularly orphans and street youth, and help improve their education and skills to break into the job market or start their own enterprises, and begin productive working lives	Surabaya (East Java)	260	282
8	Jendela Budaya Lingkungan	To equip disadvantaged youth with essential knowledge and technical skills to obtain gainful jobs in T-shirt industry	Bandung (West Java)	1,500	1,558
9	Yayasan SEKAR	To empower the neediest youth in North Jakarta to become successful entrepreneurs with business focus on organic composting, making handicrafts, carpets and recycled art paper through the provision of necessary knowledge, skills and financial support	North Jakarta	77	77

No	Implementing Partner	Main Objective	Location	Target	Achieved
10	PKBM Cepat Tepat	To empower underserved local youth by providing essential skills to become employed or self-employed in the automotive and motorcycle repair industry	Karawang (West Java)	105	105
11	Business Dynamics	To provide "Champion Worker" training programs to factory operators in the Nike suppliers to improve their life skills and positive attitudes in the work environment	Jakarta, Banten (West Java)	1,250	7,655

Annex B:

Nike "Champion Worker" Life Skills Training Evaluation

Background Information on the Champion Workers Training

YEEI provided life skills training to 7,655 operators at Nike factories in Indonesia aiming to help them improve their life skills, become more professional, affect attitudinal change in order to achieve a balanced life between work and home. Life skills areas included improving communication towards positive relationships at home or work, listening skills, seeking support from others to create win-win situations, managing stress and creating a balanced life.

Evaluation Methodology and Objectives

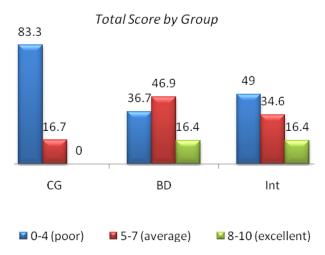
This project evaluation was conducted separately by PT. Tibies at three factories because of its specialized programmatic focus. This study was conducted to measure knowledge gains, behavior changes and challenges that operators faced in applying newly acquired skills and overall program effect. A different set of surveys and protocols were developed and used to gather information from direct beneficiaries, a control group and managers of Nike factories.

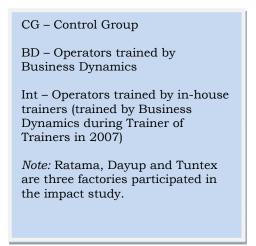
Evaluation Findings

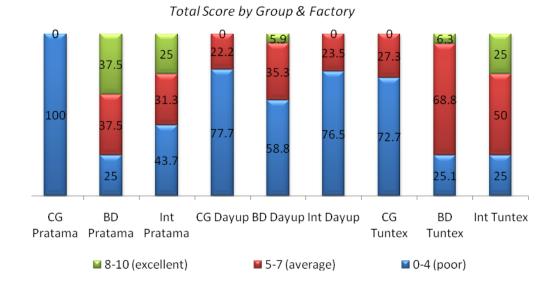
A total of 150 operators (for both control group and YEEI-trained groups), supervisors and managers participated in the evaluation conducted in January through March 2009. Respondents were randomly selected from the group trained directly by YEEI implementing partner Business Dynamics and another group trained by factory in-house trainers (trained by Business Dynamics). Eighty-eight percent of survey respondents were female and 12% were male. Most were high school graduates in their twenties with the level of work experience around one to three years (32%) and seven to ten years (59%). The study focused on assessing three areas: learning acquisition, behavior change and overall program effect.

1. Learning Acquisition

In terms of learning acquisition, trained groups had better scores than control groups in two out of three factories as the charts below show. The first chart compares the scores among three groups: the control group (CG), those trained by Business Dynamics (BD) and those trained by in-house trainers at Nike factories (Int). The second chart compares scores across three companies in comparison with the control group. The training appeared to be most helpful in such domains as stress management and communication. Training sessions helped them enhance their knowledge and inspired them to use some new techniques to de-stress themselves in everyday life. There were no significant differences in other domains.

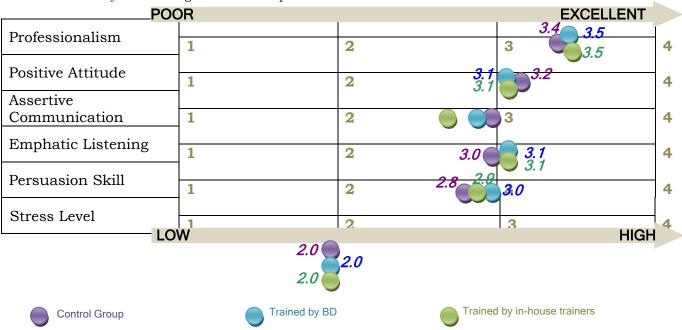






2. Behavior Change

In terms of behavior change, there were no significant score differences between main groups and the control groups' behavior based on survey data and analysis. However, in-depth interviews with both groups suggested that trained operators were able to manage their stress better, sustain positive attitudes, and work well in teams. Trained operators who were interviewed reported that they experienced significant changes in their life after participating in the training, particularly with managing their emotions, team work, self-discipline, improving communication skills both at work and home. Survey responses and interviews suggested that trained operators had a broader understanding of what assertive communication means compared to the control group. For example, they understand that assertive communication does not mean tendency and willingness to disagree with everybody leading to arguments, but rather striving for a 'win-win' situation by being tactful. This was manifested in their responses stating that they would not readily turn to arguments, but instead look for ways to communicate effectively and reach 'win-win' situations. Some respondents reported that they were not able to fully apply assertive communication at the workplace, citing that their workplace was not conducive enough to do so and they were having issues with supervisors.



3. Overall Program Effect

In terms of the program effect, significant changes were noted in the communication aspects by supervisors and the management as operators developed friendlier attitudes in communicating with their colleague while it is unclear whether it has any effect on the quality of work and productivity levels. According to the supervisors and upper management, among all trainings given to operators within the past year, the Champion Worker Training has the most significant effect on the operators as many of them apply their newly acquired knowledge about communication and stress management to their daily lives. The Champion Worker Training is also expected to be useful in transforming operators to be better workers and individuals, as it has given them new outlooks in terms of the way they manage their lives.

Furthermore, participants were asked if they noticed any significant changes in their interpersonal skills and a majority of participants said *yes*. Changes were manifested in improved communication skills (i.e. male operators know how to treat their female co-workers, operators in general know how to treat others such as colleagues, spouse and family members), and stress management skills (i.e. how to handle their problems). The team dynamics are improving as relationships are more open and work is conducted in an environment built upon mutual trust and respect. In one factory, it was mentioned that they have better relationships within the group, as they are more confident in persuading friends to be better or warning them when they make mistakes. In the future, for this kind of training to be successful, most respondents suggested that it adds modules that are simple for operators to understand, and elaborate more about noble values (virtues) and responsibility. Training activities have to be refreshed at certain periods, in order to help participants remember all materials covered in the training.





The International Youth Foundation (IYF) invests in the extraordinary potential of young people. Founded in 1990, IYF builds and maintains a worldwide community of businesses, governments, and civil-society organizations committed to empowering youth to be healthy, productive, and engaged citizens. IYF programs are catalysts of change that help young people obtain a quality education, gain employability skills, make healthy choices, and improve their communities. To learn more, visit www.iyfnet.org

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