

# entra21NOTES

10 Years of Promoting Youth Employability 2001-2011

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## Adapting a Successful Model to Meet Growing Demands: Lessons from an *entra21* project in Panama

The *entra21* program, an initiative of the International Youth Foundation (IYF) and the Multilateral Investment Fund of the Inter-American Development Bank (MIF/IDB), left a positive imprint on a number of implementing agencies in Latin America and the Caribbean. One such agency was the Consejo del Sector Privado para la Asistencia Educacional (CoSPAEC); The Private Sector Council for Educational Assistance, a private sector organization in Panama that expanded an IYF/*entra21* project to other regions of the country.

### Context and Background: IYF Finds a Strong Panamanian Partner

This case study has its roots in the first phase of the *entra21* program (2001-2007), during which time IYF supported 35 projects in Latin America that benefited more than 19,000 youth through a comprehensive package of job and employability training, internships, and job placement assistance. An average 54% of the program's participants found jobs as a result. For more information on the elements of *entra21* projects, how services were delivered to youth and their effectiveness in improving youth outcomes, please consult the Final Report on phase I of *entra21*.<sup>i</sup>

IYF's partner in Panama was CoSPAEC, a Panamanian business initiative created in 1984, to enhance the quality of education and job training among Panamanian youth and professionals. Its mission is to support the expansion of free enterprise as well as further the country's economic and social development. CoSPAEC had experience in managing academic and vocational training scholarships in the United States, where it oversaw an English language institute and a training project which were both financed by a German corporation, GTZ. In 2003, IYF supported CoSPAEC under the *entra21* Program to train 600 unemployed high-school graduates, ages 18-29, in life and employability skills, new technologies and English. After the classroom training, each youth would participate in an internship at SITEL, Panama's main call center, with the goal that 80% of the youth would be hired to work in the call centers upon completion of the program.

To implement the *entra21* project, CoSPAEC forged partnerships with the public, private and NGO sectors which were key to the project's success in enabling these youth to find decent work.

Partners included:

- (Public) The Ministry of Labor which provided local counterpart funds as it deemed the training provided through the *entra21* project as relevant to the country's need for qualified human resources;
- (Private) Panama's main call center (SITEL) which offered internships and hired project graduates; and,



Connecting Disadvantaged Youth  
with Quality Employment

Founded in 1990, The International Youth Foundation (IYF) invests in the extraordinary potential of young people. The *entra21* program was launched by IYF in 2001, with support from the Multilateral Investment Fund (MIF) of the Inter-American Development Bank (IDB) to increase the employability of youth at risk in Latin America and the Caribbean. To learn more, visit [www.iyfnet.org](http://www.iyfnet.org)

- (Academic) The Latin American University of Science and Technology (ULACIT) whose staff gave classes in ICT to project youth at its facilities.

As a result of the **entra21** project executed by CoSPAE between 2003 and 2005, 511 youth acquired job-relevant skills. Three factors contributed to CoSPAE's low drop-out rate (15%): an effective selection process, stipends,<sup>ii</sup> and close monitoring of youth participation. One of the challenges CoSPAE faced was the low English competency of some of its graduates which made it hard for them to qualify for jobs in Panama's call centers. CoSPAE overcame this problem by offering a wider range of courses so youth with weaker English had more employment options and also strengthening its job placement services. As a result of these measures, 48%<sup>iii</sup> of the youth found formal jobs in over sixty customer service companies operating across Panama, not all of them requiring strong English competence.

**Zuleika Plazaola, Director of CoSPAE:** *"IYF/entra21 made us stronger as a youth organization. They taught us the importance of human development, which was new to us and ultimately the quality most valued by employers. We learned that "helping" youth meant using a comprehensive approach."*



### CoSPAE Adapts and Expands **entra21**

The **entra21** project had a variety of positive effects on CoSPAE. For one, it helped strengthen its relationships with local businesses and civil society, educational institutions, and trade unions. It also motivated CoSPAE to continue working on the issues of youth employment after IYF funding ended in 2005. This decision was based on a number of factors, including the lack of sufficient opportunities for youth to learn life and vocational skills needed for the workplace,

the private sector's concern regarding the number low-income youth without opportunities and rising crime levels in Panama and the country's need for qualified workers with positive attitudes.

Due to **entra21**'s success and the factors mentioned above, in 2007, CoSPAE formed a team to develop a new youth initiative called el Instituto de Competividad Juvenil Dominador Kaiser Bazán (ICJ),<sup>iv</sup> the Kaiser Bazán Institute for Youth Competitiveness. Funds raised at CoSPAE'S annual event that year went towards the development and staffing of the new Institute based in Panama City. Firms were eager to participate, given CoSPAE's effectiveness in placing disadvantaged youth in good jobs, as well as the business community's ongoing need to improve the education and training of the local workforce.

The ICJ institute was equipped with:

- A technology-equipped classroom (20 computers).
- An active learning classroom for 30 people.
- An information and guidance center.
- Teaching methodologies and content developed according to the needs and characteristics of the target population.
- Interactive portal including a jobs database.

The ICJ started operations in February 2008 offering three types of training programs:

1. **RISE**: An extension of **entra21**, this program's focus goes beyond responding to the employment needs of call centers by training youth for jobs in the service sector and broadening their overall employability potential.
2. **YICO (Youth Improving Communities)**: Funded by CitiGroup Foundation, this training program prepares high school students in leadership as a way to help solve community conflicts and encourage social participation.
3. **Career guidance**: Based on the IYF/**entra21** experience, CoSPAЕ recognized the need to offer youth personalized career counseling and assessments to identify their vocational goals and talents. Some beneficiaries of RISE also benefit from this service.

RISE provides youth participants with the necessary skills and tools to enable them to secure jobs in the service sector. Similar to **entra21**, the program's application process helps guarantee that youth meet the requirements stipulated by the ICJ. Young people from low-income backgrounds between the ages of 15 and 29, who are not studying or working, are eligible to apply for the program. They also have to be highly motivated.<sup>v</sup> In order to limit the number of drop outs, the program offers food and stipend support to facilitate transportation to and from the training.

The three-month RISE project consists of four modules: Life and Work Skills, Leadership, Citizen Responsibility and Basic Computer Skills for employment. In 2008, the ICJ trained 80 graduates from the RISE program in Panama City and Colón. The training sessions, which last between 130 to 150 hours, are taught for half a day three times a week. During that time, a number of days are set aside for practice and field visits to local companies.<sup>vi</sup>

### Growing Demand for ICJ Services

Through satisfied clients of the Institute, that is businesses who have hired RISE graduates, word of ICJ is spreading across Panama's private sector. Having businesses endorse the services of the ICJ to other businesses has helped increase the demand among employers for youth who have graduated from the RISE program. CoSPAЕ has many examples of employers who hired RISE graduates over other job applicants due to their "soft" and technical skills and positive attitude towards work and learning.

**Yamileth Rodríguez, Human Resources Manager at Hotel**

**Buenaventura:** *"The difference with RISE students is most noticeable at crunch time. They are better prepared to face situations of conflict given that they have learned how to deal with frustrating circumstances. They stand out in administrative support and customer service jobs, where they prove to be more proactive than other employees."*

Today, employers and unions approach CoSPAЕ requesting "tailor-made" training focused on a specific area of customer service that is relevant for their businesses. In turn, employers provide the necessary resources for the training, guaranteeing the sustainability of the ICJ and RISE, as well as jobs for the graduates.

ICJ is expanding and customizing its job training initiatives beyond the capital city to other regions of the country, in response to Panama's economic growth with a focus on customer service. To meet training demands in regions near Panama City, the ICJ deploys its technical team to the area in which the requesting industry or group is located. In 2008, for example, two hotels from Río Hato decided to implement two RISE programs to train youth to become wait staff and

bartenders. To do this ICJ worked with trainers in this resort area to replicate the training model and adapt it to the hotels' specific needs and decided to create a new ICJ in Río Hato, managed by ICF, with support from Foundation Por Un Mejor Panamá (Foundation for a Better Panama). In two years, 147 youth graduated from the RISE program at the new ICJ.

Since the replication experience in Río Hato, CoSPAÉ and ICJ have had more requests from interested companies and have had to rethink their expansion strategy. One such request came from an association 128 kilometers from Panama City where the Association for the Sustainable Development of Valle de Anton requested information from CoSPAÉ about ICJ and RISE, so that it could establish its own Institute. Fabio Carranza, Director of ICJ explains, "We started the transfer process by developing a diagnosis of the youth from Valle de Anton, according to their needs for training in life skills and preparation for work. At the same time, we researched the needs and demands of local employers and residents, and compared both results. Once the specific areas of training required by the region's labor market were defined, we acted as consultants for ADESVA in the process of creating their own ICJ." Since 2011, the ICJ of Valle de Anton is self governing and locally managed, although it maintains permanent contact with the ICJ in Panama City.



### Final Reflections

As a result of the work of IYF/*entra21*, CoSPAÉ learned how to design and manage a successful job training and placement service to benefit Panama's youth. In addition, the organization has taken on the scaling up of the original program by facilitating similar initiatives with the private sector and implementing its own projects. To date, according to CoSPAÉ, 451 youth have graduated from the RISE program at the two ICJs - in Panama City and Valle de Anton, with an average job placement rate of 56%. More than 8.000 youth have benefited from the services offered by the different ICJs (career counseling, entrepreneurial, access to technology tools, among others).

This program continues to spark interest among private sector leaders because of its ability to provide companies with well trained and qualified personnel who offer quality customer service and high performance - which is often not the case for youth with greater technical knowledge but lacking inter-personal and "softer" skills. Moreover, as a result of Panama's current economic growth, there is increasing support within the private sector to invest in these kinds of youth employability initiatives, since supporting them also means supporting the social development of Panama's youth.

Due to *entra21*, CoSPAÉ has been able to promote its mission and garner greater recognition within the Panamanian government for its work with youth. Currently, CoSPAÉ is serving as a consultant to the national government on a dual training program for youth, working with the National Institute for Professional Education and Training.<sup>vii</sup> Both entities are planning a partnership that would enable RISE graduates already trained in life and employability skills to enter the program later on - to deepen their technical knowledge.

CoSPAÉ is exploring how to adjust its "business model" to sustain and grow ICJ programs and lessen its dependence on private sponsorships. One way it is doing this is by transferring



capacity and responsibility to new partners so CoSPAE and the ICJ are not saddled with the creation, management and funding of new institutes. It is doing this by tapping into programs with local governments, NGOs and foundations whereby the key elements of the RISE and other ICJ programs can be integrated and supported.

Through a continuous learning process, CoSPAE is adjusting to new demands by playing several different roles, from operating its own ICJs to equipping local teams and handing over control and management to third parties.

Finally, CoSPAE needs to create a blueprint, including a financing plan, to increase the scale of its work and take advantage of the current favorable economic context in Panama. This means continuing to leverage the recognition and experience it has gained through its collaboration with IYF/*entra21* and the creation and replication of the ICJ programs. CoSPAE has the capacity to influence the government's youth and workforce agenda. Just recently, for example, the government asked CoSPAE to help develop a monitoring and assessment plan of the "*Mi Primer Empleo*" (My First Job) program, the government's main initiative for youth job placement.

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- i Final Report from Phase I of the *entra21* Program available at <http://www.iyfnet.org/document/1141>.
  - ii The stipends covered transportation and food.
  - iii This rate was based on an external evaluation conducted more than 6 months after the youth exited the project.
  - iv Kaiser Bazán was a distinguished Panamanian entrepreneur and President of the Chamber of Commerce, Industries and Agriculture of Panama. He fostered and led the creation of CoSPAE in 1984. He died in 2006 while serving as Vice-President of the Republic of Panama. The new institute was named in honor of his memory.
  - v As was true in the case of *entra21*, the youth recruiting process is done through a network of centers and community-based organizations like local governments and churches.
  - vi The RISE program also identifies young entrepreneurs and helps them create their own micro-businesses.
  - vii The National Institute for Professional Education and Training for Human Development for Panama's youth (INADEH) is currently looking to revive the dual-training program for youth between the ages of 14 and 20, well focused on the youth's technical development, but not so much on the human aspect. CoSPAE is a consultant on building the Project given its experience in dual-training prior to *entra21*. Both entities are planning a partnership so that RISE graduates already trained in the human aspect may enter this program later on to deepen their technical knowledge.