



**~ EVENT PROCEEDINGS ~**

**“What Works” in Youth Employability:  
Collective Learning and Knowledge Gaps**

The third in a series of USAID-World Bank-International Youth Foundation (IYF) learning events, this half-day forum was held on May 21, 2009 at USAID Headquarters in collaboration with USAID, the World Bank, and the Inter-American Development Bank.

The event was intended to:

- synthesize the wide-ranging discussions on youth employability issues which took place in the first two Youth – Employability – Opportunity events (in Amman, Jordan and Nairobi, Kenya)
- identify promising practices, approaches, experiences and models in the field, drawing upon the experience of practitioners
- identify issues that require collective work and analysis related to the research, policy, implementation, and evaluation of “best practice” youth employability efforts
- prioritize those issues and knowledge gaps that pose constraints to effective programming, such as scaling up of pilots, and other challenges to practitioners
- highlight those issues and topics which merit further analysis and discussion, to set the agenda for future learning events
- strengthen the community of practice around youth employability issues and among key stakeholders

A summary of all of the presentations and panel discussions appears below, including links to [speaker biographies](#), previous conference proceedings, Power Point presentations, and pertinent studies and reports.

**Welcome Remarks by S. Ken Yamashita**  
**USAID Acting Assistant Administrator for Europe and Eurasia**

Ken Yamashita kicked off the event by welcoming the approximately 65 [participants](#) in attendance, reflecting a high level of interest in youth employment and employability issues. He noted that youth issues are currently high on the agenda of the development community, as governments around the world grapple with the financial crisis and high levels of unemployment; historic numbers of youth and demographic challenges strain both education systems and labor forces; the capacity of labor markets and the private sector to create jobs and absorb new entrants is stretched; and NGOs struggle to meet demand for comprehensive services.

Ken said all stakeholders, including the donor community, recognize the urgent need to address these issues now – building on models, practices and policies that have already proven effective, investing in further research and analysis about knowledge gaps, and forging the momentum for concerted action to make youth employability programs work. USAID strongly believes it is the time for such action, in collaboration with partners like the World Bank and the IDB, and has highlighted youth issues as a priority to the new administration under the leadership of Acting USAID Administrator, Alonzo Fulgham.

**Keynote Address by Alonzo Fulgham**  
**USAID Acting Administrator, Chief Operating Officer**  
**and Executive Secretary**

Acting Administrator Fulgham began by highlighting that approximately 85% of the 500 million people who will reach working age in the next decades live in developing countries. The world is more urban than ever before, with the fastest growth in poor urban areas. In fact, persons under the age of 25 already make up half of the urban population. Ensuring that 1.2 billion young people worldwide are able to attend school, find jobs, and become constructive members of society is a significant challenge.



Youth employability has recently come to the forefront of national agendas around the world in the face of two divergent trends. First, because of the global “youth bulge,” the supply of labor continues to grow at an increasing rate. At the same time, demand for labor is contracting as the global financial

crisis reduces employment opportunities. This is particularly true for youth, who are now at least three times as likely as adults to be unemployed.

Despite these significant challenges, the situation is also an unprecedented opportunity to invest in youth as a means to accelerate growth and reduce poverty. Youth in the developing world are the next generation of economic and social actors, powerful agents of change, and sources of the new ideas that will be needed to achieve sustainable development. To seize this opportunity, USAID must work with its partners to pursue a systematic and comprehensive approach to youth development. USAID's goal is to increase the positive involvement of youth in their economies and societies as, lifelong learners, engaged and active citizens, and gainfully employed members of their communities. Achieving this goal will require the collective dedication, resources, and knowledge of the public sector, businesses, NGOs, and donors.

Given the critical need for collaboration, Alonzo said USAID was pleased to host the event with the World Bank and IYF, and with the participation of the IDB and Caterpillar. The forum is the third in IYF's "Youth-Employability-Opportunity" global learning series. The first two were held earlier this year – in Amman, Jordan, under the patronage of Queen Rania Al Abdullah, and in Nairobi, Kenya, with the participation of Prime Minister Raila Odinga. The events convened nearly 300 leaders, practitioners, and stakeholders from government, civil society, the private sector, and donor community to discuss effective strategies for meeting global youth employment and employability challenges. They have created momentum for large-scale cooperation, cross-sectoral collaboration, a global learning agenda and dialogue, and a call to action to promote effective, positive outcomes for youth.

**Remarks by Bill Reese**  
**President and Chief Executive Officer,**  
**International Youth Foundation**

Bill Reese began his remarks by situating youth issues within a broader, historical context of development trends. In the 1980s and 1990s, growing attention was focused on areas such as child survival, gender and women in development, private sector development, democracy and governance, and the Global Development Alliance.

He noted that as times change and the development community evolves, new ideas must emerge to respond to new challenges. This is now the case with youth: demographic pressures from the "youth bulge" are escalating just as the global economy and job creation are contracting, requiring innovative approaches. Bill highlighted the [2007 World Development Report](#), "Development and the Next Generation," as a landmark publication and an important indication that the concept of youth development is coming of age. There is



recognition that it may take a generation to grow a generation, and that the returns on youth investment can be long-lasting and far-reaching, if done well.

Rather than being viewed narrowly as a special interest group, youth are now being considered through the lens of an outcomes-oriented programming framework with the goal of fostering adults

that are healthy, engaged, educated, productive, civically active, ready to work, able to start businesses, etc. Because youth employability and employment issues cut across a variety of sectors – including economic growth, education, PEPFAR, and DG – it is critical to convene the myriad of stakeholders to share information and best practices, to develop relevant metrics and M&E tools, to frame what we still don't know, to foster collective learning, and to grapple with important programmatic challenges (e.g. going to scale, building cross-sectoral alliances).

**Presentation by Jay Knott**  
**Mission Director, USAID/Jordan**

Jay Knott's presentation focused on [Youth as a Cross-Cutting Program](#) and the Mission's recently-awarded Youth:Work Jordan program. Jordan is a youthful country, with 25 percent of the population between the ages of 16-24. A 60% youth unemployment rate, combined with flagging economic growth and job creation, are creating tremendous pressures. This situation led King Abdullah to make youth one of his priorities, and prompted USAID/Jordan to proactively address the youth development imperative by laying out a strategic vision and strengthening the integration among youth projects in education, workforce development, health and civic participation – all with an eye toward increasing the overall impact and results achieved.

To operationalize this vision, USAID established a cross-sectoral Youth and Poverty Working Group with members from technical, program and support offices. The group is charged with looking for synergies and common ground across sectors to increase the effectiveness of programming. The Mission also conducted a disadvantaged youth survey in Amman to identify the myriad constraints and challenges faced by youth, as well as their attitudes and behaviors. The survey highlighted the need for a cross-cutting program to reach vulnerable, marginalized youth – one



to provide them with marketable skills upon which to build, to move them across the threshold from training to employment, to provide them with a continuum of support, and to give them greater hope for the future.

The new five-year [Youth:Work Jordan](#) program reflects this vision and provides a holistic framework for youth development and employability, particularly through the lens of urban poverty. To implement the program, IYF will work with the Jordanian Ministry of Social Development, other government ministries, and a variety of other stakeholders including local nongovernmental and community-based organizations.

## **Questions and Discussion**

- With regard to Missions in Africa who are trying to do more cross-sectoral programming but struggling with vertical funding sources, Jay said this situation is widely-recognized (e.g. USAID's "stovepipes of excellence"). He said USAID Directors need to make a "command decision" that youth is a priority so that funding flows will follow. They also need to create opportunities for cross-fertilization through strong leadership and executive decisions to work through these barriers.
- On the question of youth self-employment, he emphasized that we need programs that prepare entrepreneurs as well as those that equip youth for formal jobs. He also noted that universities are not effectively preparing graduates for the workforce, particularly with the multi-faceted life skills they need for the 21<sup>st</sup> century.
- One person asked about the 60% youth unemployment rate. Jay explained that there are tiers within the education system that determine how employable you will be, and that formal education generally does not prepare youth well for employment. Qualified professionals also tend to emigrate to other countries. Moreover, the economy is not as dynamic as it should be, nor businesses as plentiful, large or modernized as they need to be for growth and job creation.
- When asked about his vision of an "effective" community alliance, he said there are charitable organizations in every community that do good work and provide services to communities, but they are often overwhelmed by the growing burden and magnitude of needs. Alliances should tap into this service infrastructure, find ways to channel resources to organizations, and provide them with tools to be effective with youth and increase their engagement.
- The last question was about DG-related youth activities, e.g. citizenship, civic advocacy, etc. Jay noted the incredible transformation of youth from life skills training – going from fearful public speakers with little self-confidence to vibrant, outgoing actors who ask questions and promote themselves. We need to aggregate these impacts so more youth feel this way, create roots and lay the groundwork for youth to talk to their communities, and help them feel empowered to approach their leaders and get involved.



### Panel 1: What We Are Learning

A broad-brush presentation regarding effective youth employability practices, programming, models and approaches, reflecting areas of consensus within the community and also drawing on the recent conferences in Jordan and Nairobi. These areas include the importance of cross-cutting/cross-sectoral/comprehensive programs, public-private partnerships, life skills training, strong linkages with the private sector, thinking about scale early, a “dual client” approach, active youth participation throughout the project cycle, and substantial emphasis and support in quality M&E to set up expansion possibilities.

#### Panelists:

- Awais Sufi, Vice President for Employability, IYF
- David Newhouse, Labor Economist, Social Protection Unit, World Bank
- David Rosas, Labor Specialist, Inter-American Development Bank

Moderator: Margaret Harritt, Urban Advisor, EGAT/UP, USAID

**Awais Sufi's** presentation was entitled [Youth Employment: What We've Learned](#). He began with an overview of the recent “Youth – Employability – Opportunity” events in [Amman, Jordan](#) and Nairobi, Kenya. Both learning events had strong cross-sectoral participation and served as a platform for concrete discussions and dialogue about how to improve design and work effectively together.

He noted four areas of consensus around youth employability issues: 1) While stakeholders agree that cross-sectoral engagement is critical, it is challenging to do. It is thus important to memorialize related issues, which GDA is doing well. 2) Life skills have emerged as a foundational building block and are highly valued by employers; but there is a need for more rigor and standards, consistency in approaches, and evaluation of outcomes. 3) Since the financial crisis is hindering job placement, focus is needed on job counseling, guiding youth to areas of opportunity, and placing them on a career path. We also need to analyze how to make labor market systems more open and flexible, and the role of the private sector (e.g. in mentoring, creating enabling environment and policies, building HR capacity). 4) More rigor in evaluation is needed, taking into account time and financial constraints.

He then talked about areas in which IYF has learned key lessons. First, it is important to create a foundation for broader impact from the beginning. Involving partners throughout the process (e.g. in labor market surveys) paves the way for stronger partnerships. Second, IYF adopts a “dual client approach” by harmonizing the needs of both employers and youth. Third, life skills facilitators are critical in fostering participatory and engaging programming, but they need special skills and mentoring to be effective. Fourth, internships are key to providing youth with practical experience and skills, and subse-

quently obtaining jobs. Finally, he acknowledged scale and sustainability as challenging issues that we collectively need to examine and resolve. He noted IYF's [Education and Employment Alliance](#) program as a case where small seed funding made a big difference – supporting 43 projects in six countries with 30,000 youth either employed or continuing their education.

**David Newhouse** presented [What Works in Skills Training and Job Placement? Evidence From Experiences in the Developing World](#). He began by mentioning the Development Grant Facility (DGF) program with IYF, which is designed to institutionalize knowledge with various partners about what works in youth employability. He said we need to gather more rigorous data and do a better job of building an evidence base. Moreover, since policy priorities depend on country conditions, we need good evaluations and diagnostic tools to determine what is most appropriate and what works where. He said most training program evaluations come from the regions of Eastern Europe and Latin America, with good evidence and promising programs in LAC.

David presented findings related to three potential employment constraints: 1) Do workers have the right skills? Providing youth with information and counseling on education/training programs proved a promising intervention in the DR and Kenya, and helped youth make better decisions. 2) Can potential workers demonstrate those skills? Skills certification and written/applied tests are generating increasing interest in this regard. 3) Can job-seekers find potential employers? Linking searchers with employers was found to have positive effects in Brazil, Mexico and Romania. In summary, David said training program findings are somewhat mixed, but there are generally positive effects for IYF-style programs.

**David Rosas** talked about [What Works in Youth Employability](#) based on the study he recently co-authored at the IDB ([Evaluating the Impact of Job Training Programs in Latin America](#)). His presentation focused on what has been learned through programs in Mexico, Chile, Colombia and other countries, and also summarized the data, methods and results from a variety of impact evaluations in the region. The study generally found that these programs can contribute to improving the labor situation of specific groups (e.g. quality of employment/salaries) and that modest success was achieved at modest cost.

Things we still don't know include: What design elements are more relevant? Under which circumstances do programs work better? Are programs viable in economic downturns? Has training increased human and social capital? In terms of next steps, a second round of evaluations is underway in several countries that should provide interesting data. Long-term tracer studies should also be done, with evaluations linked to the research and policy agenda.

## **Questions and Discussion**

- One person noted that positive evaluation results seem to focus on middle-income countries, and asked about low-income and post-conflict countries.

David Rosas didn't find any evaluations from lower-income countries and David Newhouse wasn't aware of any studies in Africa, but he mentioned that IYF is looking to do impact evaluations there.

- Another point dealt with counterinsurgency programs and how to measure changes in perceptions, psychological elements and impact. David N. talked about doing baseline and follow-up surveys and including questions on self confidence and mental health, and creating a control group by overenrolling in the program and randomly selecting participants. David R. mentioned an evaluation in Panama that included an index of self-esteem but lacked control group data. This will be done in Peru so the data will be available.

### Panel 2: Knowledge Gaps

An identification of key gaps, challenges, constraints and issues in the youth employability arena, programming experiences, and the current literature. The panel will seek to broadly outline these issues in this first session, while future sessions will delve more deeply into each topic. Issues will include the great need for impact evaluation and longitudinal studies, how to reach vulnerable youth populations, how to ensure greater coherence with formal education systems, how to encourage attitude changes (e.g. regarding "menial" jobs), how to foster entrepreneurs in both the formal and informal sectors, how to promote local economic development approaches.

#### Panelists:

- Vidal Rodriguez, International Marketing Manager, Caterpillar
- Susan Pezzullo, Director of Learning, International Youth Foundation
- Mattias Lundberg, Senior Economist, Human Development Network, World Bank

Moderator: Jessica Tulodo, Director, EGAT/Urban Programs, USAID

**Vidal Rodriguez** began by talking about Caterpillar's corporate social responsibility parameters (i.e. being inclusive of women, targeting the Latin American region, working in a lower middle-income country, and involving the private sector, specifically the Caterpillar dealer and others in the construction sector). This led to a project in Peru with TECSUP, a private provider of technical training and business education created by Peruvian industrialists to help alleviate shortages of skilled labor.

The project is being implemented from June 2008 to December 2009 under the second phase of IYF's *entra21* program (supported by the MIF/IDB and the Caterpillar Foundation, as well as Ferreyros and other local private sector firms). This collaboration has helped TECSUP become more inclusive of disadvantaged youth, with a target of 500 youth to be trained. 250 youth have participated in training to date; of those who completed the training and



internships, over 90% have been placed in jobs. Caterpillar views training as a means to an end, with the ultimate goal being job placement.

**Susan Pezzullo** began by highlighting that IYF has 8 years of experience with the [entra21 youth employability program](#), whose first phase began in 2001. IYF now seeks to transfer its knowledge and capacity to others – for example in Jordan and other Youth:Work projects, as well as under phase 2 of *entra21* throughout Latin America. She noted that IYF has experience in how to get the message out to youth, and how to screen for their motivation and attitude so that they stay enrolled in training programs for 7-9 months. IYF has also learned a good deal about what happens in all phases of youth employability interventions.

With regard to impact evaluation, she said this is now an emphasis of *entra21* so IYF is in an intensive phase of undertaking several impact evaluations with control groups where demand for the *entra21* program exceeded available resources. Part of the challenge is that the literature in this area is not well-developed, there are many knowledge gaps, and NGOs often don't have the capacity or resources to undertake such studies. There is also a sense of pressure to work at scale before having all the necessary knowledge in hand – highlighting the need to decide what we collectively must know and prioritizing the most critical issues. Finally, Susan emphasized that while we know what the model should look like in terms of components, the dosage is still unclear (i.e. How many hours of technical and life skills training are needed? In what combination?) The answer to these questions will clearly affect cost considerations.

**Mattias Lundberg** spoke on the [Evaluation of Youth Employment Programs](#). He began by emphasizing why we must evaluate – to ensure we are doing the right things and doing them right, as well as to provide an evidence base for policy recommendations. These areas must be balanced with the pressure of needing to urgently address youth unemployment, albeit with incomplete information. Over the past five years and particularly since the 2007 WDR, the development community has been learning more and more about youth employability and building a body of knowledge, though considerable gaps still exist.

Knowledge gaps include: What kind of training works best? What elements should go into a training program? What are the dosage issues? Do effects show up years later? Are comprehensive or stand-alone models better? What combinations of interventions are most effective? How do we define and assess life skills? How can programs be made sustainable? Should students pay for services? What prevents young people from finding jobs? What are market and supply/demand side constraints? Do training programs address them? How can we learn from experience and realistically assess effectiveness?

## Questions and Discussion

- One person noted that we usually talk about the supply side and improving employability, but the demand side (i.e. job creation) as well as micro/macro-economic policies tends to be overlooked. Susan confirmed that IYF focuses on the supply side given its institutional expertise in that area, but IYF is also working in the area of entrepreneurship and the creation of new youth-led enterprises. Mattias noted that affecting the demand side is harder precisely because it requires the creation of new and decent jobs. Finally, Jessica said that EGAT/Urban Programs wants to support local economic development (LED) efforts, which could impact the demand side.
- Another question concerned the impact of youth programs on education systems and stovepipes. Susan said that IYF is starting to work at greater scale under entra 21 with NGOs that are innovating, bringing models to the private sector and working through strategic alliances with governments. She mentioned that efforts in Brazil have been so successful that governors invited the program into public schools for seniors. A continuing challenge is the poor educational competence of youth even after many years of formal schooling; an issue both for those working in the public system as well as outside.

**Presentation by Karen Hilliard**  
**Mission Director, USAID/Jamaica**

Karen Hilliard talked about the impact of Caribbean security issues on youth in Jamaica. She began with an overview of the security situation and the grave challenges it poses. Jamaica currently has the highest homicide rate in world (60-62 per 100,000), with about half of these deaths gang-related and affecting youth ages 15-29 (188 killed/100,000). These issues pose a huge constraint to national competitiveness and citizen security, absorbing about 5% of GDP per year and millions of dollars of lost business revenue. Moreover, about 50,000 youth exit the secondary education system each year, but only 14,000 have any prospects for higher education so an additional 11,000 end up on the street each year, with few productive livelihood options.

In response, USAID/Jamaica has contributed to a U.S. government-wide approach by developing a [Country Assistance Strategy](#) in collaboration with the Jamaican government, civil society, donors, private sector, and others. This has led to a national consensus, endorsed by the Prime Minister, with a strategy focused on peace and security, economic opportunity, HIV/AIDS prevention, and basic education (with a special focus on at-risk youth who exit the system). The cross-cutting theme of youth will reinforce synergies among technical areas, and a life cycle approach (i.e. linking pre-school to primary to more job-relevant education in secondary) will better address youth needs. A Caribbean regional security initiative is also currently under development, complementary to the Merida initiative for Mexico and Central America.

Karen concluded by mentioning several successful at-risk youth pilot initiatives that face a challenge with reducing unit costs and going to scale. It is necessary to look at both supply and demand-side issues, to analyze cost effectiveness and the dose-response relationship, and to provide life skills for at-risk youth. It is also critical to engage private sector partners, develop a replicable model throughout the Caribbean, and increase linkages with the Dominican Republic and Haiti on gang prevention. Finally, activities must be evaluated effectively and quickly so that programs are driven by knowledge while also responding to the urgent security situation.

### **Wrap-up and Next Steps**

In summary, Peter Shiras thanked participants for a rich event and discussion that highlighted the range of issues to be collectively addressed by our community of practice. He said we need to simultaneously foster action on critical program needs with knowledge development, combining programs with rigorous evaluation that will give us better data and information. He reiterated key issues including: the potential and power of collaboration between the public and private sectors; the importance of drawing on the NGO community; the fact that scale and sustainability must build on multi-sectoral partnerships; and the need to influence both policy and practice.

Peter said IYF will continue its collaboration and contribution to this dialogue through the Youth:Work program and other avenues. This will include future learning events in the “Youth – Employability – Opportunity” series with the World Bank, IDB and other stakeholders to delve into the priority issues and topics identified in Amman, Nairobi and Washington. Finally, he commended USAID for its recent establishment of an Agency working group on youth and the Administration’s attention to this important development issue.