

>>>>> YOUTH LIVELIHOODS ALLIANCE >>>>>

SPRING 2013

Creating Economic Opportunities for Young People

The **Youth Livelihoods Alliance** (YLA) is a multi-stakeholder initiative, led by the International Youth Foundation, to address the global youth unemployment crisis. The YLA convenes leaders in government, business, and the multilateral donor community to develop practical and innovative solutions to the global challenge of youth unemployment and facilitates the exchange of best practices and tested models in the areas of workforce development, skills training, entrepreneurship, and corporate social responsibility. YLA members share three core commitments to youth: promoting the goal to hire young people, developing their skills, and creating jobs through entrepreneurship.

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Creating Economic Opportunities for Young People: Engaging the Private Sector

**April 2, 2013
Washington, DC**

The International Youth Foundation, in collaboration with the Center for Strategic and International Studies (CSIS), convened the first of what will be a series of roundtable discussions under the Youth Livelihoods Alliance initiative. This event was intended to provide a space for a candid discussion about how public sector entities, such as USAID and the State Department, and private companies can work together to elevate the issue of youth livelihoods and find alignment with the core business strategies of the private sector.

Johanna Nesseth Tuttle, Senior Vice President for Strategic Planning at CSIS, opened the roundtable with welcoming remarks. Zeenat Rahman, Special Adviser for Global Youth Issues at the U.S. Department of State then helped frame the discussion by describing the growing focus on addressing the youth employment crisis and emphasizing the importance of a blended, cross-sector approach towards promoting sustainable livelihoods. Nicole Goldin, Director of the Youth, Prosperity and Security Initiative at CSIS in partnership with IYF, moderated the dialogue that followed which featured Jennifer Silberman of Hilton Worldwide and Tam Nguyen of Chevron Corporation, who each provided an overview of their companies' efforts to incorporate youth livelihoods issues into their core business strategies. The subsequent lively discussion among the broad group of attendees signaled a shared interest on the part of the corporate representatives to work more closely with the public sector to better align diplomacy and development goals with business strategies early on in the process.



Summary of Insights and Recommendations:

The gathering revealed not only many of the challenges faced by the private sector in addressing youth livelihoods needs, but also helped to uncover areas of commonality and alignment for the public and private sector, lending to potential solutions. Several key themes emerged from the roundtable that speak to the most critical areas for growth and opportunity, and serve as the building blocks for the next steps in improving the economic opportunities for young people. These are explored below.

Early Co-Design:

Both private and public entities agree that social investment programs are sustainable if they are designed collaboratively from the beginning to meet the strategic and economic goals of the private sector, local and regional stakeholders, government bodies, and NGOs. NGOs can provide the tools and expertise for building the skill sets of local populations, and corporations can leverage that expertise to advance their business strategies. In turn, private corporations can provide business strategies and technical expertise on key intervention points for long term investments where employment and skill building for youth could be most impactful. International aid agencies can bring financial resources and strategies. Identifying aligned goals, discussing risks each party is concerned about, sharing analyses of the local situation and jointly defining actions all greatly improve the potential for an effective collaboration that brings together all these resources.

Building Local Champions:

Communication and collaboration between the private sector, donors and NGOs at their headquarters, far away from the regions or countries where the work is being done, can sometimes result in initiatives that do not reflect the reality on the ground or do not have local buy-in. It is more sustainable for collaborative programs that support the economic opportunity of young people to be created in conjunction with those on the ground. Many corporate entities rely on their employees and stakeholders in the field for information about the political and economic climate of the area they are investing time and money. Building the business case for any initiative with local consultation allows the company to better assess the risks and opportunities in investing in the local working population and consider how best to align that with their long-term economic strategies. Additionally, for programming to be implemented in a way that supports the economic interests of the private sector as well as local populations, local political and community leaders must be engaged early on to provide appropriate political and economic context.

Evaluation:

Creating broadly defined metrics for measurement and accountability is a priority for corporations as they consider how to blend investment in local youth populations with long-term business strategy. Similarly, NGO's and public bodies must be able to quantify not only the need for investment in improved economic opportunities for vulnerable youth populations, but the types of program investments that are most effective. All sectors have to work collaboratively to identify the appropriate metrics necessary to evaluate the relative impact and success of program investments. Ultimately, these metrics will require mutually agreed upon

goals between public and private sector interests for building impactful and relevant programs that support young workers.

Acknowledging and Quantifying Risk:

Corporations have a strong interest in the economic and political stability of the population and region where they invest. However, each also must analyze and quantify the risks associated with its activities.

Relationships with national and local government agencies, the political environment, the company's reputation and relationship with communities in which it operates, among other things must be carefully weighed when considering investing in social programs. It is important for these concerns to be understood as well by NGO or public sector partners, who may be able to contribute their own risk assessments to the conversation. Public private partnerships need to take into account these risks in the design of collaborative activities.

Core Competencies and Market Priorities:

As corporations and NGOs collaborate to create economic opportunities for young people, it is important to ensure that young people develop marketable and transferrable job skills. Skills that youth are taught do not always match the skills the market demands and this is an ongoing challenge for corporate employers. Core soft skills were also identified by the corporate participants as a critical area that needs more support as these skills are harder for companies to provide suitable training. There was general consensus that there is a common set of base competencies that most employers seek to find in the next gen workforce in addition to other skills that may be more industry or company specific. By working together, private corporations, local stakeholders, and public sector entities can address how to build these fundamental skills to improve the employability of young people. Further development of cross-cutting solutions for strengthening core job skills that are relevant to the needs of expanding private employers will advance the cause of building long-term economic prospects and life skills of young people.

The key themes identified in this first roundtable provide the foundation for greater collaboration between the public and private sectors when it comes to issues of youth and youth employability. In future roundtable discussions, the Youth Livelihoods Alliance and other partners, will take a closer look at some of these shared challenges and goals and begin to take steps towards finding solutions and opportunities for implementation.

For more information about the Youth Livelihoods Alliance, please contact Angie Venza at a.venza@iyfnet.org.