

Learning Series

No. 8

EQUIPPING YOUTH WHO ARE HARDER TO HIRE FOR THE LABOR MARKET:

Results from entra21

EXECUTIVE SUMMARY

This executive summary was written by Susan Pezzullo, Director of Latin America and the Caribbean at the International Youth Foundation (IYF) and based on the Spanish publication, “Equipando Jóvenes de Mayor Vulnerabilidad para Insertarse al Mercado Laboral: Resultados de *entra21*” written by Martín Dellavedova, Estela S. Barba and Adolfo Negrotto in collaboration with María Gimena de León (SISTME-Sistemas de Monitoreo y Evaluación).
Córdoba, Argentina



Connecting Disadvantaged Youth
with Quality Employment

Entra21 Program

The *entra21* Program was launched in 2001 by IYF in collaboration with the Multilateral Investment Fund of the Inter-American Development Bank, to improve the employability of disadvantaged youth in Latin America and the Caribbean. *Entra21* with market-relevant training or to create decent work opportunities. Phase I of the Program, which ended in 2007, benefited 19,649 youth through a comprehensive set of training and job placement activities. 54% of those youth were found to be working six months or more after graduation. Due to the success of *entra21*, a second phase was launched in 2007, to benefit youth at higher risk from being un- or under-employed due to factors such as being rural based, disabled, or associated with violence. Additionally, Phase II works to scale up best practices validated in Phase I so youth employment training and services could be available to more youth. This phase will run through 2011 and benefit more than 50,000 youth.

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for the Labor Market:**
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A key objective of *entra21* Phase II, a regional youth employment program managed by the International Youth Foundation (IYF), was to test whether the program could enable “harder to hire” youth in Latin America and the Caribbean to find and secure decent work. The term “harder to hire” refers to youth with less education, or living in rural areas, or having other personal or social characteristics which make it harder for them to find decent work. In the first phase of the program (2001-2007), the majority of youth, while from poor families, had completed high school and therefore are considered less vulnerable when compared to the youth targeted in Phase I.¹

Of the 14 projects targeting more disadvantaged (or harder to hire) youth under Phase II (2007-2011), five were selected to be part of a study that examined the effectiveness of *entra21* in helping these youth gain market-relevant job skills and become employed. The study coordinated by Sistemas de Monitoreo y Evaluación (SISTME), a research group from Argentina, examined how successful the projects were in recruiting more vulnerable youth, whether they became more employable, and which practices, in the opinion of the researchers, seem to have contributed to these youths’ ability to acquire new skills and secure employment or create their own micro-businesses.

The projects selected for the study were the **Centro de Información y Recursos para el Desarrollo (CIRD)** in Paraguay, **Soluciones Prácticas (SOLUCIONES)** and **Instituto Tecnológico (TECSUP)** in Peru, **Fundación E.dúcate (E.dúcate)** in Ecuador, and **Centro de Comunicación y Educación Popular (CANTERA)** in Nicaragua. All five organizations are private, not for profit organizations.

Table 1: Project Characteristics

Implementing Agency	Country	Number of Youth Enrolled	Project Duration	Geographic Focus
CIRD	Paraguay	386	37 months	Metropolitan area of Asunción
SOLUCIONES	Peru	501	24 months	San Martín and Cajamarca
TECSUP	Peru	593	24 months	Lima, Callao, Arequipa, and Trujillo
E.dúcate	Ecuador	607	27 months	Guayaquil and Quito
CANTERA	Nicaragua	147	24 months	Managua

In Paraguay, CIRD worked with youth who have visual and hearing disabilities as well as physical and mental disabilities. In Peru, the SOLUCIONES project worked with rural youth, while 89% of the youth participating in the TECSUP project were either from rural areas or had been part of a gang. In Ecuador, 60% of youth participating in E.dúcate’s project had either dropped out of school or

¹ For more information on IYF and *entra21* please visit www.iyfnet.org/entra21.

belonged to a minority ethnic group. More than half of CANTERA's Nicaraguan youth had dropped out of school and/or had been involved in local gangs. Across all projects the majority of youth were either very poor or poor. CIRD had the highest percentage of non-poor (23%), as the project included youth with disabilities from lower middle class families.

Table 2: Percentage of Very Vulnerable Youth and Type of Risk Factors

	Very Vulnerable	Type of Risk Factors
CIRD	100%	100% have disabilities; 36% do not have a high school education
SOLUCIONES	100%	Rural poor; 14% do not have a high school education
TECSUP	89%	Rural poor; Gang affiliated; No high school education
E.dúcate	60%	Majority do not have a high school education
CANTERA	56%	Gang affiliated; Majority do not have a high school education

CANTERA had the youngest participants with 61% of participating youth falling under 21 years of age. The other four projects had a more even distribution among the age categories: less than 20 years of age, between 20 and 24 years, and over 24. There were higher percentages of males participating in the CIRD, SOLUCIONES, and TECSUP projects, which may explain in the case of CIRD why parents were reluctant to let their daughters with disabilities leave home unaccompanied. TECSUP's lower female enrollment rate may be due to the fact that the occupational training offered was viewed as non-traditional for females. SOLUCIONES, also, had difficulty recruiting females since most agricultural land is managed by males.

Table 3: Age and Gender Distribution

	Age	Gender (Female/Male)
CIRD	26% under 20 41% between 20 & 24 33% over 24	39% / 61%
SOLUCIONES	42% under 20 33% between 20 & 24 25% over 24	24% / 76%
TECSUP	44% under 20 42% between 20 & 24 14% over 24	23% / 77%
E.dúcate	38% under 20 36% between 20 & 24 26% over 24	60% / 40%
CANTERA	61% under 20 35% between 20 & 24 4% over 24	54% / 46%

An average 17% of all youth enrolled in the five projects reported working when they entered training (baseline). The highest percentage of youth working at baseline was reported among the rural youth enrolled in SOLUCIONES at 29%, followed by the youth enrolled in E.dúcate at 28%. In the cases of CIRD and CANTERA, only 10% and 3% respectively, were working when they entered the program.

The study confirmed that all five projects enrolled youth who have greater difficulty compared to other youth in their respective countries in finding work. The researchers reached this conclusion by comparing the project's youth rates of unemployment at baseline with national unemployment rates for all youth and through a literature research.

Program Strategies

The program model implemented by the five NGOs had many components similar to the one promoted in *entra21* Phase I. Training was designed in response to labor market demands and included technical courses, life and job seeking skills, and an internship. In the case of SOLUCIONES, which focused on helping youth add value to their agriculture production, training also focused on agro-business skills and CANTERA youth spent 10% of their training hours learning basic principles of micro-business planning. Unlike the other three projects that outsourced technical training, TECSUP and E.dúcate were directly responsible for providing vocational instruction.

The duration of the training cycle and focus of technical component for each project is described in the table below. As the table indicates, there were major differences across the five projects in the number of total training hours. CANTERA had the most training hours (896 hours) while TECSUP had the fewest training hours (185 hours). Among the factors that influenced the number of training hours were: a) the youths' level of education and skill at baseline; b) requirements imposed by the certifying entity; c) the type of technical training; and, d) employers' preferences regarding the length of internships. In the case of TECSUP, for example, training was designed around the needs of specific companies so an internship was not required whereas in the case of SOLUCIONES, rural youth had to complete a 400 hour internship with local cooperatives or agro-industrial companies to strengthen their competencies in organic coffee and cacao farming. The study was not able to establish any relationship between the number of training hours and youth outcomes due to the researchers' inability to control for a number of contextual variables.

Table 4: Duration of Training Cycles and Focus of Training

	CIRD	SOLUCIONES	TECSUP	E.dúcate	CANTERA
Duration of Training	6 months / 493 hours	2-4 months / 806 hours	1 month / 185 hours	2 months / 310 hours	6 months / 896 hours
Focus of Training	Use of applications, Tele-marketing, Installation and equipment maintenance, Massage Therapy	Production and processing of organic coffee and cacao	Operation of equipment related to agro-industry, Warehouse management	Food service, Hospitality industry	Construction, Accounting

Results

Certification Rates

Four of the five projects were able to achieve high rates of certification and relatively low levels of attrition despite the fact the youth enrolled were very vulnerable. In fact, drop-out rates for these projects were similar to the rates for the Phase I projects which, as was mentioned earlier, enrolled less vulnerable youth. The exception is E.dúcate, which experienced high drop-out rates early in the project due to a series of management problems that were addressed and resulted in better retention by the end of the project. To retain youth in training, projects had to provide tutoring, remedial education, and personalized attention to respond the youth's special needs around child care, family problems, learning delays, etc.

Table 5: Youth Drop-Out Rates and Certification

	CIRD	SOLUCIONES	TECSUP	E.dúcate	CANTERA
Drop-Out Rate	15%	6%	7%	43%	13%
Certification Rate	81%	94%	87%	54%	84%

* In some cases, percentages do not add up to 100% because they do not include youth who were not certified although they completed the required number of training hours

In the three cases (TECSUP, E.dúcate and CANTERA) in which the projects enrolled both vulnerable and very vulnerable youth, the latter were slightly less likely to become certified. This was mainly because their lack of formal education and/or their personal circumstances made it harder for them to keep up with their class work and/or internships. This difference, however, was not statistically significant.

Job Placement

The majority of youth found work after participating in *entra21*. The greatest gain in employment relative to participants' rates when they entered the projects (e.g. baseline) was found in the case of the TECSUP youth in Peru followed by the CIRD youth in Paraguay. The majority of the work youth found was salaried employment in the formal economy with the exception of the youth from the SOLUCIONES project who were growing and processing coffee or other projects or providing agricultural extension services.

Table 6: Employment Rates by Project

		CIRD	SOLUCIONES	TECSUP	E.dúcate	CANTERA	Average TOTAL
Youth Working	Baseline	10%	27%	5%	23%	3%	14%
	Ex Post	56%	62%	70%	48%	40%	55%
Variance (percentage points)		46	35	65	25	37	41

* The baseline rates are based on data collected by IYF and processed by Institutos de Estudios sobre la Realidad Argentina y Latinoamericana (IERAL); the ex post rates (6 months post exit) are based on external evaluation data.

According to the study the employment rates for the *entra21* youth six months after graduating from the Program were higher than those for the general youth population in four of the countries, with the exception of Nicaragua. It is worth mentioning, however, that the general youth employment rates pertain to all youth between 15 and 24 years of age and therefore are not comparable with *entra21* youth in terms of age and level of vulnerability. For this reason one needs to view these rates as general points of reference, not as valid comparisons.

Table 7

Country	Employment Rates (15-24 years old)	Employment Rates for <i>entra21</i> projects
Paraguay	55%	56%
Peru	56%	70%
Ecuador	43%	48%
Nicaragua	51%	40%

* Source: SEDLAC (Socio-economic database for Latin America and the Caribbean <http://sedlac.econo.unlp.edu.ar>).

Quality of Work

The quality of work was analyzed taking into account hourly wages and employment benefits. For CIRD and TECSUP, the average hourly wage for *entra21* graduates was higher than the average minimum hourly wage in each country. According to the evaluator of the TECSUP project, “data calculated for the average hourly wage leads to the conclusion that approximately 49% of the youth have incomes equal to or greater than the minimum wage.”² E.dúcate received slightly less than the minimum wage and SOLUCIONES youth slightly more. For CANTERA the hourly salary for *entra21* youth was 50% lower than the hourly rate based on that country’s minimum wage.

Table 8: Average Hourly Wage of *entra21* Participants versus Minimum Wage by Country

	Average hourly Rate for <i>entra21</i> youth	Average Hourly Rate Based on Minimum Salary
CIRD	10.8	7.9
SOLUCIONES	2.8	2.7
TECSUP	4.5	2.9
E.dúcate	1.3	1.4
CANTERA	5.4	10.4

According to the International Labour Organization’s (ILO) data for Latin America and the Caribbean, only 37% of employed youth receive health insurance and pensions.³ Youth who graduated from CIRD and TECSUP fared better than what is reported by the ILO, in that 93% and 80% respectively, received one or more benefits. It is important to note that for these two projects, most of the youth were employed by larger companies which are more likely to comply with labor laws regarding benefits. In the other three projects less than 37% of youth received benefits. In the case of SOLUCIONES, it makes sense that only 13% reported receiving benefits because these youth were working for themselves as either small-scale producers or extension agents and did not “give” themselves benefits. In the case of E.dúcate the majority of the employers are small to medium companies in the hospitality industry.

Based on hourly wages and employment benefits, the study concludes that while most youth had formal contracts (aside for the ones who were self employed) the quality of their jobs varied across the projects. That is a common theme in other countries and this study confirms that the most vulnerable youth still face a tremendous challenge.

² Briceño, Luis, *Informe Final de Evaluación del Proyecto: Aumento de la Empleabilidad de Jóvenes de Escasos Recursos*, 2011 (Peru).

³ International Labour Organization, *Trabajo Decente y Juventud*, 2010 (p. 77).

Table 9: Percentage of Youth who Receive Employment Benefits

	Receive One or More Benefits	Receive No Benefits
CIRD	93%	7%
SOLUCIONES	13%	87%
TECSUP	80%	20%
E.dúcate	7%	93%
CANTERA	35%	65%

Employers' Satisfaction Ratings

To gauge youths' employability it is important to understand how employers perceive youth in terms of their performance relative to the needs of the company or to other workers. With regard to the *entra21* youth from the five projects, employers' assessments are mixed; however, the overall impression is positive. In Nicaragua, for example, employers said they were satisfied with the youths' performance during their internships and as employees. Nicaraguan employers were originally reluctant to interview or hire *entra21* youth since they live in high-crime neighborhoods. However, once businesses overcame their resistance and hired *entra21* youth, they reported being satisfied with their performance.

In Ecuador, 60% of the companies rated the interns from E.dúcate as satisfactory while the other 40% lacked sufficient technical skills, according to the employers interviewed for this study. In rating the youth they hired, the Ecuadoran employers indicated the *entra21* graduates had most of the technical and "soft" skills they required. Peruvian cooperative managers indicated that the youth who graduated from the SOLUCIONES project needed more experience in marketing although they were quite competent in agricultural techniques related to cultivating organic coffee and cacao. In the case of TECSUP, which operated in Lima and Arequipa, Peru, all of the employers except one, indicated that *entra21* graduates performed well in the areas of life skills, technical skills and general work skills. The only exception was a company that trains entry level workers on the job and therefore graded the *entra21* youth as not yet fully prepared.

Education

Youth from CIRD and SOLUCIONES demonstrated an average of one year more of formal education between the time they enrolled in *entra21* until they were surveyed six months after exiting the project (ex post). For the other three projects the difference was very modest.

Table 10: Years of Formal Education by Project – Baseline and Ex Post

	CIRD	SOLUCIONES	TECSUP	E.dúcate	CANTERA
Baseline	9.8	9.4	10.8	11.4	8.6
Ex Post	11.1	10.4	11.2	11.6	9.0
Difference (in years)	1.3	1.0	0.4	0.2	0.3

* Source: IERAL.

There was an important increase in the percentage of youth who re-enrolled in school after participating in *entra21*; from 53% of *entra21* graduates from E.dúcate to 10% of youth in the case of TECSUP. Even the centrality of education in terms of the longer term employability of these youth, these findings are encouraging.

Table 11: Youth Re-Enrolment in Formal Education – Ex Post

	CIRD	SOLUCIONES	TECSUP	E.dúcate	CANTERA
Rate of Re-Enrolment	36%	15%	10%	53%	35%

* Source: IERAL.

Lessons Learned

In retrospect it would have been helpful if projects had a pre-training stage to enable youth who had been out of school and/or simply had a poor academic foundation to upgrade their basic skills (e.g. computer, math and literacy). Taking into account their low level of formal education, a preparatory stage would have facilitated their ability to acquire new job skills. It also would have helped trainees get “into the groove” of being in a learning environment after having been out of school for several years or ill equipped to keep up with a fairly rigorous training schedule.

In some cases the employment training was not adapted to the socio-cognitive characteristics of the youth and the projects had to make adjustments. For example, CANTERA and TECSUP changed their curricula to better respond to the trainees’ needs. They added more time for life skills and added one-on-one tutoring. E.dúcate incorporated traditional teaching into its virtual classes due to trainees’ difficulty following the instructions for the digital courses, assimilating new information, and learning at their own pace.⁴

⁴For more information about the use of virtual training technology, please refer to *The Role of Technology in Preparing Disadvantaged Youth for the World of Work* at www.iyfnet.org.

This finding has two dimensions. The first is the importance of working with organizations capable of monitoring their performance, making adjustments as needed and quickly realigning the training processes to better respond to the realities of the youth enrolled in training. Organizations or programs that do not have this flexibility run the risk of high drop-out rates and low certification rates.

The research team also noted the importance of ensuring the training staff is well qualified to work with more vulnerable youth. Having prior experience working with youth from violent neighborhoods, for example, and being able to understand their social context should be a requirement for any staff person with training, advising or coaching responsibilities. In the same vein, the study reinforced the powerful role project staff can play in modeling how to listen, communicate, manage emotions and take responsibility as they interact with trainees and others. Finally, with youth who have been historically excluded due to their physical condition, social status or geography, one of the most important skills for project staff is to know how to develop trust and make youth feel valued. Much has been written about the importance of youth-centered approaches in the youth development literature and this study validated the importance of ensuring staff have the emotional maturity and skills to provide youth with personalized attention.⁵

Establishing relationships with the youths' families proved helpful in keeping youth in training. For example in the case of CIRD, good communication was important as parents tended to be overprotective of their disabled sons and daughters. SOLUCIONES reached out to parents who agreed to donate land so youth could establish their production of organic crops.

Executing agencies that are able to establish relationships with businesses, other NGOs and the public sector are much more likely to achieve their targets and sustain their services. This has been underscored in other IYF publications and was confirmed by this study. When working with disabled youth or young people viewed as coming "from the wrong side of the tracks", overcoming negative stereotypes and employer resistance is essential. **entra21** projects were generally successful in demonstrating to employers that despite their high levels of vulnerability these youth perform well as interns and employees, as evidenced by the employment rates. In addition to their outreach to employers, several executing agencies also were able to forge relationships with the public sector in the interest of influencing larger programs and systems. For example, in Ecuador, the government has adapted the **entra21**/E.dúcate model for broader replication. In Paraguay, CIRD's relationships with the government has allowed IYF's partner to contribute to the development of youth employment policies.

⁵ For more information, please refer to *Learning Series #2: Entering the World of Work: Results from six entra21 Youth Employment Projects (Executive Summary)* at www.iyfnet.org.



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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