

MARKET SYSTEMS BRIEF

Findings and Way Forward for a
Mozambique TVET System that
Creates Jobs for Young People

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MarketShare Associates led on the development of this toolkit, with contributions from Adriano Scarampi, Ashley Aarons, and Erin Markel.



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Introduction

Implemented in partnership with the International Youth Foundation (IYF) and the Mastercard Foundation, Via: Pathways to Work improves economic opportunities for underserved youth in Mozambique through sustainable changes in the technical and vocational training (TVET) and entrepreneurship system. In addition to the 10,000 youth reached during the initiative’s five years, the Via legacy will be in the systemic changes made at the institutional level and across an array of youth training and support service providers, leading to large numbers of youth benefiting from these advances over time.

In 2017, IYF commissioned MarketShare Associates to lead research in Mozambique on both challenges the Mozambique TVET system faces creating skilled graduates and jobs for young people - and the opportunities where Via can work with system actors to support a TVET system that is focused on youth employability. Research was carried out in Maputo, Tete and Inhambane, the projects’ locations, with system actors including trainees, TVET centers, INEFP, government agencies, businesses and recruiters. Innovative research techniques were used to understand their perspectives and networks, including value network analysis and norms mapping. The Research Summary, presented here, highlights key findings as a guide to action for actors in the Mozambique TVET system.

Graduates’ pathway into work

The majority of INEFP trainees are young, male, and register for TVET courses because they lack the grades or money for university—or in some cases, are looking to follow into the footsteps of their parents. Figure 1, developed from interviews, outlines the pathway into work for trainees.

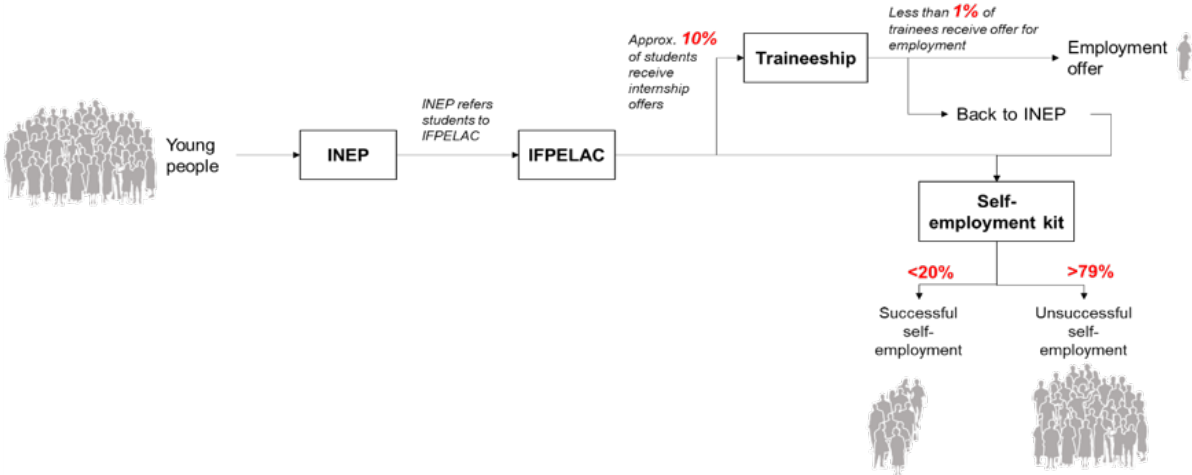


FIGURE 1 Pathways into work for INEFP trainees

- **A few trainees are hired by businesses after internships.** Businesses do not hire graduates for full-time, long-term positions right away. The only way graduates can obtain employment is through internships. However, though around 10% of trainees receive internship, less than 1% receive subsequent employment offers.

- **Courses are geared towards self-employment.** Businesses viewed INEFP courses as setting trainees up for self-employment, as they are too short to give the skills larger companies requires, while companies cannot absorb so many graduates. INEFP directs most trainees towards self-employment through the distribution of self-employment kits.
- **Low success rates in self-employment.** It is likely that the self-employment success rate of the INEFP trainees is below 20%, in part as the most successful self-employment kits are given to agricultural students who are not graduates of INEFP but from agricultural schools, and in part because of the limited support that IFPLAC is able to offer to its graduates in terms of entrepreneurship skills.

Figure 2 compares how businesses recruit entry level roles across various sectors.

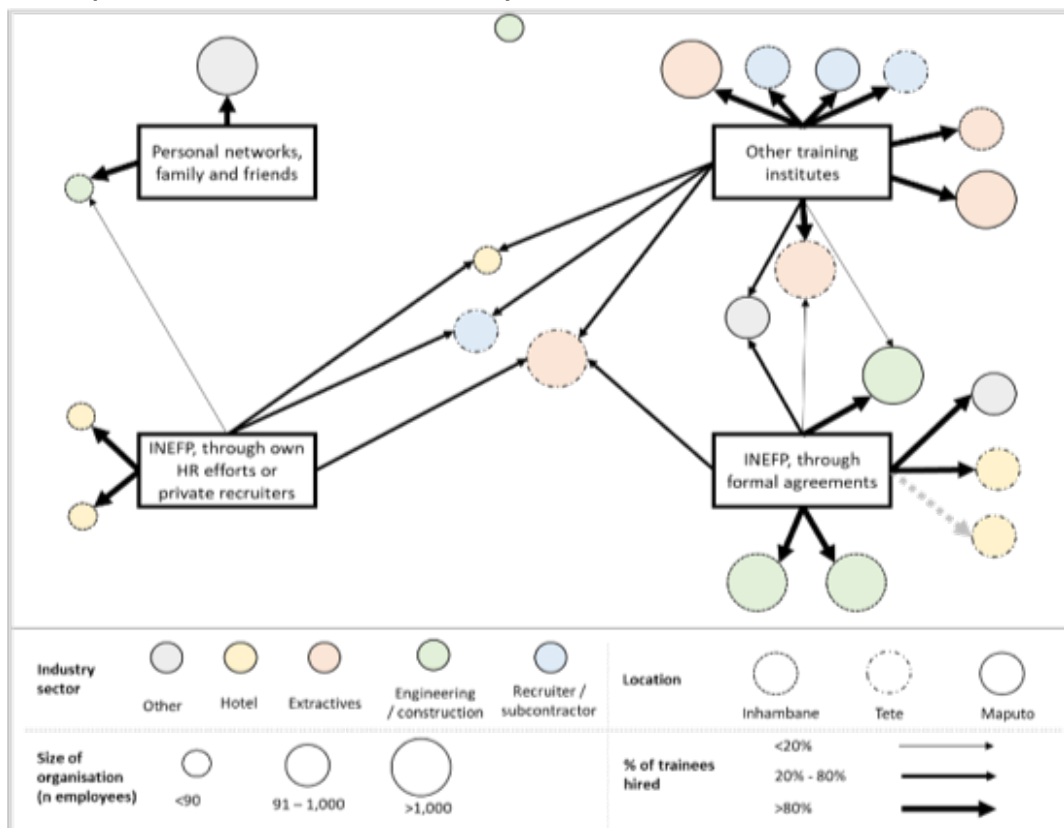


FIGURE 2 MarketShare Associates' channel network map

- **High skills requirements in the extractive sector.** Businesses operating in the oil and gas and in the mining sectors generally need workers that are more skilled than INEFP graduates, and therefore hire primarily from industrial schools. There are some exceptions though where reliance on INEFP trainees is higher, and businesses invest in INEFP training. This mainly happens when mining companies are setting up operations, and require labour to build the infrastructure. These jobs, however, are often short term and rarely lead to long-term opportunities.

- **High reliance of hospitality industry on INEFP.** Hotels recruit heavily from INEFP through formal and informal relationships. While managerial jobs are given to hospitality school graduates, there are less technical jobs available for INEFP graduates
- **Size matters in construction/engineering.** Large public companies in Inhambane have formal agreements with INEFP and regularly recruit from them. Small businesses, though, see less value in working with INEFP. Graduates are often not trained on the right machinery, and small businesses lack the resources to provide additional training.
- **Lack of collaboration between recruiters/sub-contractors and INEFP.** Recruiters and subcontractors generally work with more highly skilled professionals. Where they partner with TVET, it tends to be with private sector providers. There is potentially tension between recruiters and INEFP, since recruiters perform a function that is also the responsibility of the newly formed IFPLAC.

Business Relations with INEFP

Figure 3 represents companies ratings on the strength of their relationship with INEFP. Though there is high variability across locations, some trends were evident:

- **Trends across the same industries:** Relations are strong for extractives and construction sector companies, highly variable amongst hotels, and poor for recruitment and subcontracting agencies.
- **Relationship quality is closely linked to trainee sourcing.** Where a company has signed an MOU with INEFP for internship schemes, they are more likely to rate the quality of the relationship very high.

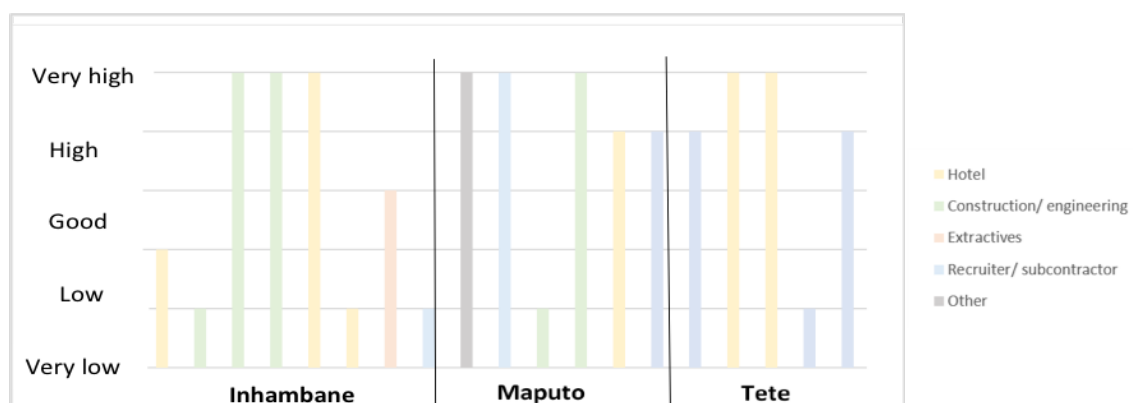


FIGURE 3 Quality of relationship between private sector

Employer Perceptions and Norms

The research explored issues that might affect companies' perception of INEFP trainees. Figure 4 shows responses from six businesses. Though perceptions varied significantly, there are some emerging trends:

- **Reliability, not having the right skillset, lack of ambition, and not being committed to long-term employment**, were key issues. Laziness, lack of respect and lack of a professional attitude were less key.
- **Overall businesses noted a significant life skills gap.** INEFP trainees are usually seen as having very low life skills, whereas all industries strongly valued life skills.

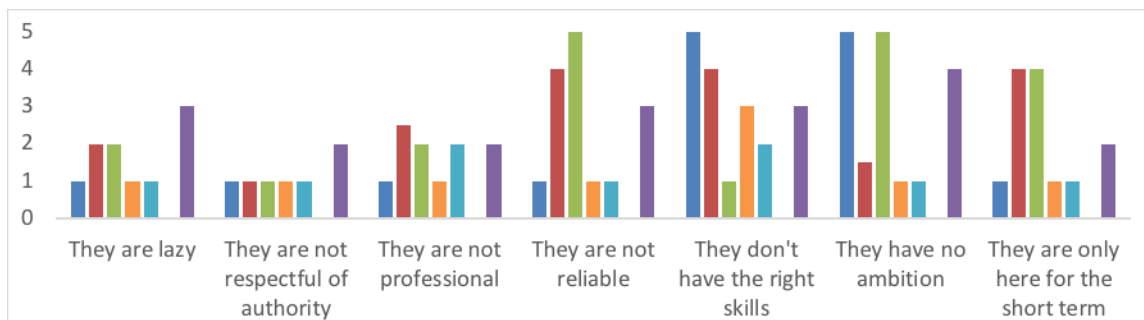


FIGURE 4 Perceptions of INEFP trainees (5 is “strongly agree”)

Employer norms also had an important impact on recruitment. These are mapped out in Figure 5:

- **Nepotism / preference for hiring through personal connections.** Nepotism is more prevalent among smaller companies, as these have less trust in training institutes and higher value for personal networks. Relying on networks is often less risky and more practical for them.
- **INEFP stigma / belief that INEFP trainees have failed in life.** Several large organizations in Maputo viewed trainees as not smart enough to enter university, and with a history of underperformance.

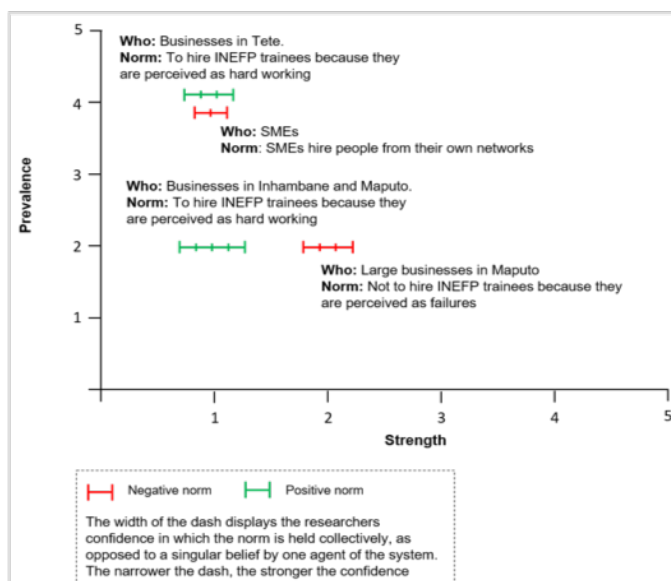


FIGURE 5 MarketShare Associates’ Norms mapping tool ©

- **Positive perception of INEFP trainees.** Despite the failure stigma, most companies in Tete and some in Inhambane and Maputo saw trainees as motivated, hard-working and enthusiastic.
- **Absence of sanctions.** Although some norms might negatively affect recruitment practices, their strength is low. Since the roles for which INEFP trainees are generally hired are of relative low importance, if a hiring manager were to hire an INEFP trainee and break a norm/expectation (either nepotism, or the view that INEFP trainees are failures), the hiring manager would not generally incur into negative consequences (or sanctions) within the organization. This shows that the norms are generally weak, and easy to break.

Resources Mapping

Government funding for INEFP's short courses has decreased by approximately 50% over the last five years. However, impacts have varied by region. In Tete, the outlook for the future appears more positive as private sector support has increased. However, in Maputo, although some donors have stepped in, there has not been enough budget to pay for training, staff allowances and equipment.

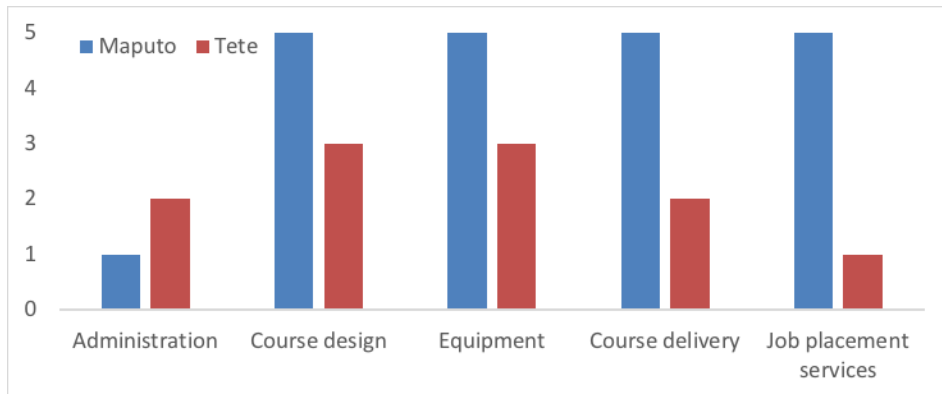


FIGURE 6 INEFP areas most underfunded (5 is high)

Figure 6 represents views on which areas of INEFP are most under-funded in Tete and Maputo. While in Maputo there is severe underfunding across most operations, the main concern in Tete is funding for course design and upgrading equipment.

OPPORTUNITIES

- **Clearer pathways into work and more tailored support to trainees.** INEFP could increase transparency on which courses lead to wage vs self-employment to help trainees make application decisions and allow courses and supporting services to be tailored appropriately. For instance, the provision of more specific entrepreneurship skills for courses leading to self-employment.
- **Improved INEFP and private sector relations.** INEFP could develop a strategic partnership model where it proactively reaches out to potential employers, focusing on priority sectors and companies. INEFP could develop a needs assessment process to understand the requirements of businesses, and develop a mechanism to seek and incorporate companies' feedback
- **Regular feedback channels with trainees and alumni.** INEFP could establish systems and processes that allow trainees to provide regular feedback on the course curriculum and teaching, potentially through elected student representatives. Regular feedback could also be sought from alumni on challenges in finding work and the effectiveness of INEFP courses.
- **Increased INEFP presence and profile in the marketplace.** INEFP could improve its presence and profile on the marketplace, for instance, by running and/or participating in careers fairs. Marketing campaigns could showcase the potential of trainees, potentially drawing on the Passport to Success (PTS) curriculum as a differentiating factor on the marketplace.
- **Enhanced PTS provision.** PTS could be prioritized for courses that lead to industry sectors in which life skills are more valued, such as hospitality and generally for larger companies; while employers could co-develop training schedules. An assessment is required on the commercial viability of businesses (e.g. established training providers or freelance master trainers) providing PTS.
- **Sustainable funding strategies for TVET.** Via could research alternative, sustainable funding streams for INEFP, such as increasing course revenue and strengthening business partnerships. This could involve working with companies to fund new courses and encouraging ownership amongst companies for courses they have already set-up on INEFP's facilities.