

PROMISING APPROACH # 2

Invest in Job Training Programs that Include a Mixture of Technical Skills, Life Skills, and Internships

Many young people around the world have insufficient and inadequate skills to compete in the formal labor market. This is because of difficulties in accessing secondary education and job training opportunities, as well as because of secondary school curricula that are not relevant to the labor market. Globalization and the accompanying advances in technology, which have significantly increased the demand for skilled labor, have made young people without skills or basic education particularly vulnerable and virtually unemployable.

One way to counter this problem is to enable young people to increase their educational attainment and learn skills after they have left the formal school system. These kinds of interventions have taken two forms—skills training and comprehensive multiservice training. Skills training programs consist of vocational training, apprenticeships, or second chance/education equivalency programs (see Promising Approach # 1) that aim to build the technical skills of young people. Comprehensive multiservice training programs go beyond technical training to focus on developing the young person’s skills as a worker by providing him or her with a wide range of support, including general skills training, life skills¹ (see Promising Approach # 8), job search and placement assistance (see Promising Approach # 7), and self-employment services. Although skills training programs are the most prevalent, the comprehensive multiservice training programs have had the most success so far, particularly in developing countries. This approach has been less successful in developed countries, which makes it evident that each country’s specific circumstances, including its institutions, policies, and overall macroeconomic conditions, should be reflected in the design and implementation of job training programs.

How Do Comprehensive Job Training Programs Reduce Risky Youth Behavior?

Entering the labor force is one of the most important transitions that a young person will make, but it is a transition for which many young people, particularly the most disadvantaged, are not prepared. Young people who spend long periods of time looking for a job or who have difficulty keeping a job are more likely to be poor, and there is some evidence that being unemployed during their youth will affect their employability later in life. Young people who have difficulty finding and keeping jobs are also thought to be more prone to engage in risky behavior, such as crime and violence and substance use.

Traditionally, standard skills training programs have been provided based on the assumption that young people struggle to find and keep good jobs because they lack marketable technical skills. However, recent evidence suggests that poor technical skills are only one of many barriers that young people face in their search for employment. It is now clear that a range of different kinds of support is needed to teach young people how to behave in the workplace and become active members of society. Thus, a combination of technical, life skills, practical training, job search assistance, and general social support can give at-risk youth the tools that they need to move from being socially excluded to participating fully in society. Furthermore, providing these kinds of support not only helps young people to find employment but also increases their self-esteem, confidence, and sense of control over their lives and their futures and provides them with the information and skills to cope with work and family life. All of these outcomes lower the probability that these young people will engage in risky behavior.

Training programs that teach life skills may not always be able to guarantee the employment of participating young people because much depends on the prevailing macroeconomic conditions of the country in which

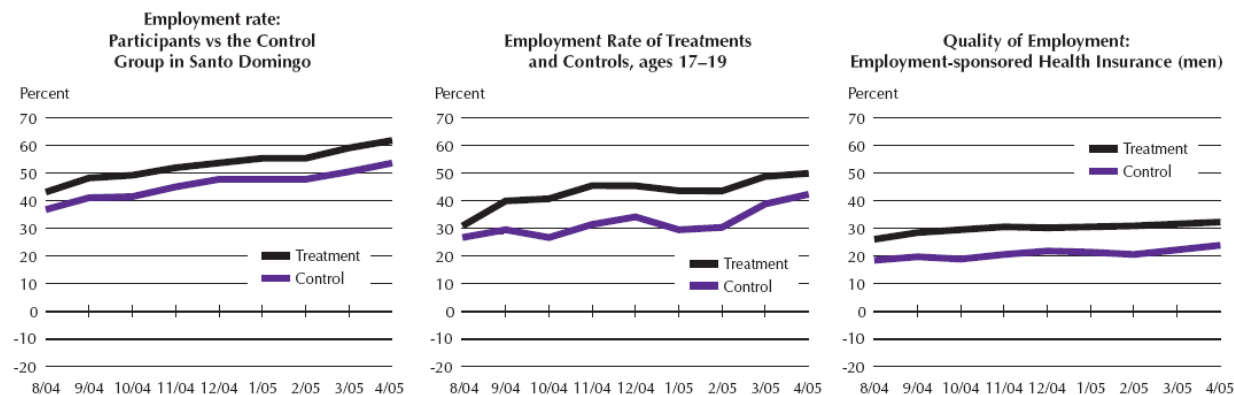
the program is being implemented. Nevertheless, the life skills that young people are taught serve as protective factors in their lives and, thus, increase the probability that they will be employed in the future.

Research Findings: Providing the Evidence Base

Comprehensive training programs for young people have shown promising results in terms of increased youth employment, particularly in developing countries. Much of the evidence for this finding has come from evaluations of *Jóvenes* programs, which were first introduced in Chile and have because been replicated in several Latin America and Caribbean countries. This type of program targets disadvantaged young people and offers a package of classroom training, work experience, life skills, job search assistance, and counseling.² Evaluations of these *Jóvenes* programs have found evidence that participants have a greater chance of finding employment and higher earnings than those in control groups. In Argentina, for instance, the probability of adult female participants finding employment increased by 10 percent, while in Chile the program increased this probability by 21 percent, with even more significant results for young people under the age of 21 and women. Similarly, participants' earnings increased by about 10 percent more than nonparticipants in Argentina and the Dominican Republic, with particularly favorable results for young males and females, and by about 26 percent in Chile, with best results for the youngest participants.³ A preliminary impact evaluation of the Dominican Republic's *Juventud y Empleo* program, which provides training and internships to disadvantaged young people, showed that wages earned by participants were 10 percent higher and that the types of jobs they acquired were of better quality than those of nonparticipants, measured, for example, by the receipt of such benefits as employer-sponsored health insurance (see figure).⁴ Although no net impact evaluations of the *Entra 21* program have yet been carried out, studies in several of the 18 countries in Latin America and the Caribbean where it operates have shown that the program, which offers people ages 16–29 an integrated package of technical training, life skills, job seeking skills, and internships with local employers, had a positive “gross” impact on the employability of its participants. Estimated job placement rates ranged from 68 percent in Peru to 41 percent in Paraguay, average monthly wages were at least as high as the minimum wage, and most participants were able to attain a job in the formal sector with at least one benefit, such as paid vacations, monthly bonus, or health insurance.⁵

Skills training programs in East Asia have also yielded promising results. Samoa's *Opportunity for Vulnerable Poor Youth* program, which provides informal and vocational training to unemployed young people to increase their earnings opportunities as well as their self-esteem, has been found to have increased beneficiaries' employability. China's *Labor Preparation* program, which provides vocational education and training to new labor force entrants, and the Philippines' *Working Youth Center* have yielded similarly positive results in terms of employability.⁶

Findings from Dominican Republic *Juventud y Empleo* Program Impact Evaluation



Source: Card and others 2006.

Results from evaluations of comprehensive programs in OECD countries have been mixed. In Canada, the *Employability Improvement Program* had a substantial impact on annual earnings of participants compared to nonparticipants due to an increase in the number of weeks worked. Meanwhile in the United Kingdom, studies have found that young unemployed men are about 20 percent more likely than nonparticipants to find jobs as a result of the *New Deal for Young People* program. However, a recent meta-analysis of eight U.S. programs found that they have had only a very moderate and often negative impact on the chances of young people finding work. One exception is the U.S. program *Job Corps*, which has had a positive impact on participants but has not been cost-effective.⁷

Moving Forward: Factors for Success

- ***Create partnerships with the private sector*** to ensure that the skills being taught are needed by employers and will be relevant when participants try to enter the labor market. Demand-driven skills also encourage competition between job training providers, which increases the probability that the services will be of better quality. Set up internships to provide on-the-job training for participants.
- ***Offer an integrated package*** of technical skills, life skills, job search assistance, and on-the-job experience to give at-risk young people the greatest possible chance of finding employment.
- Implement ***high-quality targeting mechanisms*** to ensure that only the most disadvantaged youth are included and to avoid attracting students who are already enrolled in formal education.
- Ensure that the ***training is suitable and practical for both urban and rural areas, as well as for both young males and females.***
- Offer ***flexible schedules and accelerated programs.***
- ***Work across sectors and ministries*** (such as education, labor, youth, and planning).

Endnotes

1. Although not universally defined, life skills, or soft skills, are generally classified into three categories: (i) social and interpersonal skills (communication, refusal skills, assertiveness, and empathy); (ii) cognitive skills (decision making, critical thinking, problem solving, and self-evaluation); and (iii) emotional coping skills (stress management, self-control, self-esteem, and coping strategies).
2. Ibarra, Pablo, and David Rosas. 2006. "IDB's Job Training Operations: Thematic Report of Impact Evaluations." Draft, October. Inter American Development Bank, Washington D.C.; Jaramillo, Miguel. 2006. "Youth at Risk in Latin America and the Caribbean: Supporting Youth Facing Labor Market Risks." Policy paper prepared for the World Bank's "Youth at Risk in the Latin America and Caribbean Region: Building a Policy Toolkit." Group for the Analysis of Development (GRADE), Lima, Peru; Diaz, J., and M. Jaramillo. 2006. "Evaluation of the Peruvian Youth Labor Training Program PROJoven." Draft Working Paper. GRADE, Lima, Peru. Note that despite higher returns for females, participation rates are still lower than for males in most programs. To encourage greater participation from poor females, policy makers should consider providing child care.
3. Aedo, Cristian, and Sergio Nunez, 2001. "The Impact of Training Policies in Latin America and the Caribbean: The Case of Programa Joven." ILADES and Georgetown University, May; Aedo, Cristian, and Pizarro Marcelo. 2004. "Rentabilidad Economica del programa de capacitacion laboral de jovenes Chile Joven." Unpublished paper; Elias, Victor, F. Ruiz-Nunez, R. Cossa, and D. Bravo. 2004. "An Econometric Cost-benefit Analysis of Argentina's Youth Training Program." Research Network Working Paper #R-482, Inter-American Development Bank, Washington, D.C.; Card, D., Pablo Ibarra, Ferdinando Regalia, David Rosas, and Yuri Soares. 2006. "Labor Market Impacts of Youth Training in the Dominican Republic: Evidence from a Randomized Program." Inter-American Development Bank, Washington, D.C.; Nopo, Hugo, M. Robles, and Jaime Saavedra. 2002. "Una Medicion del Impacto del Programa Capacitacion Laboral Juvenil PROJoven." Documento de Trabajo 36, GRADE, Peru; Diaz and Jaramillo 2006.
4. Card and others 2006.
5. Pezzullo, Susana. 2005. "Project Effectiveness and Impact: Youth Employability and Job Placement." International Youth Foundation, Baltimore.
6. Stavreska, A. 2006. "Interventions to Support Young Workers in South, East Asia, and the Pacific: Regional Report for the Youth Employment Inventory." Unpublished paper, October. World Bank, Washington D.C. Note: It is unclear whether a control group was used in the evaluation of the Samoa's *Opportunity for Vulnerable Poor Youth* program.
7. Betcherman, G., M. Godfrey, S. Puerto, F. Rother, and A. Stavreska. 2007. "Global Inventory of Interventions to Support Young Workers, Synthesis Report." World Bank, Washington, D.C.

Key Implementation Considerations	
Anticipated Outcomes	<ul style="list-style-type: none"> • Employment • Higher earnings • Increased employability
Secondary Effects	<ul style="list-style-type: none"> • Increased self-esteem • Increased self-confidence • Higher educational attainment • Social inclusion
Responsible Agency/Actor	National training institutes, NGOs, private firms
Targeted Risk Group	Type III
Target Age Group	14–24
Examples of Cost Elements per Beneficiary	<ul style="list-style-type: none"> • Latin America and the Caribbean: <i>Jóvenes</i> programs, ranging from US\$700–US\$2,000 per beneficiary ^a • United Kingdom: <i>New Deal</i>—US\$1,000 per beneficiary (2005 dollars) ^a • United States: <i>JobCorps</i>—approximately US\$17,000 ^a
Necessary Initial Conditions	<ul style="list-style-type: none"> • A high-quality targeting system that can reach the most disadvantaged young people • Partnerships with private firms for identifying demand for skills and for providing internships • Partnerships with technical training providers to decide upon target group, program design, and implementation
Specific Examples & Level of Effectiveness (Strong Evidence and Emerging Evidence)	<ul style="list-style-type: none"> • <i>Chile Joven</i> (Chile)—Strong evidence • <i>Programa Joven</i> (Argentina)—Strong evidence • <i>ProJoven</i> (Peru)—Strong evidence • Canada: <i>Employability Improvement Program</i>—Emerging evidence • United Kingdom: <i>New Deal for Young People</i>—Emerging evidence • United States: <i>JobCorps</i>—Emerging evidence • <i>Entra 21</i> (LAC)—Emerging evidence
Issues to Consider for Replication and Sustainability	<ul style="list-style-type: none"> • Programs need to take into account the prevailing economic conditions in a particular country, especially labor demand. • Because these programs might attract students away from formal education, they must be carefully targeted to those most in need.

Source: a. Betcherman and others 2007.