Impact Opportunities 3: Which skills matter for productivity among youth?

Girl power: Evidence from training programs for young women

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Opportunities?

Fact 1: **Lots of youth**
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Fact 1: **Lots of youth**

Fact 2: **Girls are less likely to be working**
Fact 1: Lots of youth

Fact 2: Girls are less likely to be working

Fact 3: they are having more children, at a younger age

Notes: The data stems from the 2010 UN World Population Prospects data base. The fertility rate is measured by the number of births per 1,000 women. More developed regions comprise Europe, Northern America, Australia/New Zealand and Japan.
For girls, youth is the critical time to intervene

- Risk of HIV/STI, unintended pregnancy
- Early motherhood can limit future earnings (path dependence)
- Barriers to labor market entry
  - smaller networks/access to information
  - domestic work burden
  - concurrent labor market/fertility decisions.
So how about a program that targets young women?

- Africa Gender Lab has 5 skills training projects for young women in Africa
  - Taking into account constraints unique to girls across many dimensions
  - Varying emphasis on vocational training and empowerment/life skills

- Results are in for 2 of the 5 projects: Liberia and Uganda
1. EPAG - Liberia

• $4m donor-funded project
• Target girls age 16-27 with:
  1. Job or Business Skills training (6 months)
  2. Placement/start-up support (6 months)
  3. Life skills, e.g., communication, leadership, GBV.
• Led by Government, implemented by NGOs with performance-based contracts
• Stipends based on attendance
2. ELA - Uganda

- Run by BRAC, funded by Mastercard & Nike
- Target girls 14-20 with:
  1. Safe social space
  2. Life skills training (focus on reproductive health)
  3. Short livelihood training based on local market
  4. In future: microfinance
How will we know if it works?

- Why evaluate?
  - Rigorous evidence on skills training programs in Africa is sorely lacking

- Our approach: Randomized control trials (RCTs)
  - Liberia: Individual-level random assignment into 2 rounds
    - Panel data on 1600 girls, 2 interviews, 1 year apart
  - Uganda: Village-level random assignment
    - Panel data on 4800 girls, 2 interviews, 2 years apart

- Limitations:
  - In Uganda: average impacts for all girls in the village
  - In Liberia: only short-term (6-month) outcomes
  - For both: no comparison of life skills versus technical skills
In terms of employment and earnings after 1 year:

- Engagement in IGAs increased by 47%
- Earnings 32 USD per month (80%)
  - Stronger effects for Business Skills trainees than for Job Skills trainees
- Savings by 36 USD
Did it work? Uganda

Employment and earnings outcomes after 2 years:

- Engagement in IGAs by 32%
  - Mostly driven by self-employment activities
- Earnings 3 USD per month (15%), conditional on self-employment
- No adverse effects on schooling outcomes, e.g. enrollment or time spent on studying
Impacts beyond economics in Uganda

- Fertility: reported motherhood decreases by 26%
- Proportion of those always using a condom increases by 27%
- No effect on use of other contraceptives or reported STDs
- Incidence of sex against their will drops by 76%
Impacts beyond economics in Liberia

- No impact on fertility – actual or desired
- No impacts on contraception, # of boyfriends, incidence of GBV
- Positive impacts on self confidence, satisfaction with job outcomes
Is it worth it?  Liberia

• Cost per beneficiary:
  – 1650 USD for Job Skills track
  – 1200 USD for Business Skills track

• Compare to 700-2000 USD for Jovenes programs in Latin America

• Set this against average monthly increase in earnings:
  – 2 years to recoup investment (Business Skills)
  – 8 years to recoup investment (Job Skills)
Is it worth it? Uganda

- Cost per potential beneficiary is $17.9 in year 2
- Corresponds to
  - 0.54% of hh income at baseline
  - 21% of a girl’s self-reported annual expenditures
- Set this against:
  - 32% increase in employment
  - 26% lower fertility
  - 76% drop in sex against her will
Key Messages

• Skills training programs can work (at least for girls)!
• Young women may require specialized interventions or targeted outreach
• Combination of life and vocational skills is what works—getting the right mix depends on context
• To maximize cost-effectiveness, experiment with the duration of classroom training
In closing: two very different models of empowering young women – with fairly large impacts – not only in the economic realm, but also in health and agency. A good investment.

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