## **WORKING PAPER**

## **Preparing the Poor and Vulnerable for Digital Jobs:**

Lessons from Eight Promising Demand-led Training Models

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with support from:



## Preparing the Poor and Vulnerable for Digital Jobs

#### The Demand-led Difference

We met David in the Johannesburg offices of a major international Business Process Outsourcing (BPO) firm. He described the call center work he was doing for a UK-based telecom company's customer service campaign. We discussed Premier League results and laughed about British idioms. The center's training manager praised his work. David described his future in hopeful terms: he planned to buy a washing machine for his parents.

Months prior, his outlook was less bright. He had graduated from secondary school, but without funds or marks sufficient for university, David was only able to find occasional informal jobs (e.g., security guard, shop clerk) and spent most of his time sitting around his family's home in Soweto township. Eventually, his parents saved enough for a training course that offered a certificate in BPO operations, a well-regarded formal sector job.

Unfortunately, the course had no direct connections with BPOs and failed to impart many new skills. After completion, David could not type well enough for BPO standards, still had relatively little experience with computers and had no familiarity with formal workplace norms: professional communication, attire, punctuality, etc. Once he found his way to a Johannesburg BPO, he found his certificate meant little. He was turned down and referred to yet another training program.

#### Focus of this Paper

The objective of this paper is to evaluate and heiahten awareness of training models that train disadvantaged youth ICT-enabled jobs. focuses models that on intentionally configure curriculum and other design elements to meet the needs of potential employers or are, in other words, "demand-led".

Models like these will be important for the Rockefeller Foundation and others interested in the field of Impact Sourcing, which refers to the practice of employing people at the base of the pyramid, with limited opportunity for sustainable employment, as principal workers in business process outsourcing centers.

See our June 2011 paper, <u>Job</u> <u>Creation Through Building the</u> <u>Field of Impact Sourcing</u>, also produced with Rockefeller Foundation support, for more information on the potential of Impact Sourcing.

Fortunately, this course was truly "demand-led". The Impact Sourcing Academy (ISA) was designed to meet employers' needs. As part of South Africa's Monyetla work-readiness program, a few BPO firms provided input into curriculum design and the Academy delivered training. It operated a small BPO in-house to provide students with work experience (and help offset costs). It took a holistic approach to training: targeting not only typing and technical proficiency but also self-awareness and communication skills. The Impact Sourcing Academy also maintained strict intake requirements intended

to ensure students possessed minimum capabilities and, of equal importance, dedication.

David passed the admission requirements and entered the 4-month program. By the end, he was able to type above the minimum standard required by the BPO, had developed new skills in professional communication, gained practical work experience in the Academy's in-house call center and demonstrated promise to program administrators. The international BPO that had rejected his prior application offered him a full-time role. We met him a few months later, on the job and performing on par with colleagues from more privileged backgrounds. Other graduates of Impact Sourcing Academy found similar success: average salaries after graduation were double standard household income in Johannesburg. In addition, graduates reported that in addition to gaining technical skills useful for gaining employment, they honed their communication, interviewing, and CV-writing skills that will help them navigate their careers going forward

## **Bridging the Skills Gap**

The Rockefeller Foundation is exploring ways to enable poor and vulnerable youth to participate in the digital economy, especially in Africa, where high youth unemployment is a near universal feature. Rockefeller and others are encouraged by the rapid proliferation of connective technologies in the developing world and strong global growth in tech and tech-enabled sectors that are enabling digital job opportunities, including in the Impact Sourcing industry. (Impact Sourcing refers to the practice of employing people at the base of the pyramid, with limited opportunity for sustainable employment, as principal workers in business process outsourcing centers that provide high-quality, information-based services to domestic and international clients.) But, even where potential Impact Sourcing positions exist (or other digital jobs like web design, banking, digital positions in retail, etc.) employers find that youth, especially disadvantaged youth, are under-qualified and unprepared for these roles.

Africa, in particular, suffers from a well-documented "skills gap" between those skills required by employers and the skills most poor and vulnerable youth have. Education systems have consistently failed to prepare them to succeed. Graduates are weak in problem-solving, business understanding, computer usage and communication skills.

Supplementary training will be critical to prepare such youth for digital opportunities, which is why Rockefeller supported us to identify and evaluate training models that promise to prepare youth for digital work around the world. A key feature of all the training models identified is that they were "demand-led", developing their curriculum and teaching styles in line with the needs of prospective employers. Demand-led training ensures that students are taught practical skills that can be directly applied to future ICT and ICT-enabled positions. These training models promise to bridge the skills gap, but are generally new and operating at a small-scale relative to the populations of local disadvantaged youth they target. Some remain obscure and are not well-understood.

With this paper, we hope to shed more light on these models and call out lessons for governments, investors, philanthropists, and potential business partners considering supporting or investing in these models or others like them.

## **Methodology and Models**

We selected eight models that appeared to be successfully training and placing poor and vulnerable youth into ICT-enabled jobs. They included:

Sub- Saharan Africa	Nairobits	Nairobi-headquartered franchise model focused on preparing disadvantaged youth for ICT-enabled jobs, also teaches life skills and entrepreneurship
	Impact Sourcing Academy	<ul> <li>New training organization in Johannesburg partners directly with large BPOs and Captives to develop curriculum and place students; curriculum emphasizes both soft and technical skills. Part of larger Community and Individual Development Association (CIDA)</li> </ul>
	Monyetla	<ul> <li>Government-funded, employer-led consortium model where employers partner with recruiters and training organizations to appropriately source and train employees for international BPO jobs. Part of effort to attract BPOs to South Africa</li> </ul>
India & Africa	Scope International	<ul> <li>Scope International is the in-house BPO for Standard Chartered Bank. Their training program adapted to individuals' strengths and recently included effort to recruit from disadvantaged communities.</li> </ul>
India	American India Foundation	<ul> <li>Franchise model in India where AIF helps with initial set-up of training center and curriculum development, leaving 10+ local NGOs to do training and placement at 122 centers nationally</li> </ul>
	Youth4Jobs	<ul> <li>Andra Pradesh-based training program focused on rural and disabled youth, founded in 2011. Classroom and short on-the-job training emphasizes technical and soft skills. One of few programs to prepare persons with disabilities for employment</li> </ul>
India, China, Malaysia	Global Talent Track	<ul> <li>For-profit technical training courses bridge gap between university education and skills needed for work; often partners with universities to train their students for IT jobs.</li> <li>Operates in India, China, and Malaysia</li> </ul>
USA	Year Up	<ul> <li>US program founded in 2000 offers 11 month intensive training program with both classroom and on-the-job training. Operates in 10 US cities and continues to grow.</li> <li>Program provides peer group support and mentorships</li> </ul>

These models were selected because they primarily focus on the poor and vulnerable (with the exception of Global Talent Track), appeared truly demand-led, have reputations for delivering resilient skills to graduates, and prepare students for BPO positions or other basic ICT-enabled jobs like network management or basic web design. In addition, we also sought some diversity in the set of models ultimately selected. These represent a range of geographical locations<sup>1</sup>, funding models, and training models (i.e. standalone, partnerships, etc).

Once selected, we conducted desktop research and interviews with management to generate a short overview. In a few cases, we developed an in-depth profile based on site visits and in-person interviews with employers, students, and instructors. (A basic profile of each organization studied is included in the Appendix.)

Among other goals, we sought to answer five key, overarching questions in the course of our evaluation:

- 1. How do models effectively target the poor and vulnerable?
- 2. How do they align training with market needs and successfully place students?

<sup>&</sup>lt;sup>1</sup> A number of other models in India could have been studied due to the size of the base of the pyramid training market in the country and efforts by the National Skills Development Corporation (NSDC) and others, but the two models selected in this study present unique lessons for the industry.

- 3. How do they effectively teach poor and vulnerable students the skills needed to succeed at work?
- 4. How do they scale?
- 5. Do they realize cost-effective impact?

Below, we provide summary observations for each question. By answering these questions for each model, we hope to surface lessons valuable to others in the field.

### **Key Lessons for the Field**

#### Effectively Targeting the Poor and Vulnerable

To recruit the poor and vulnerable, the most successful training organizations leverage local organizations or individuals with strong community ties. Some training programs utilize local NGOs or government workers with existing programs in the community (i.e., microfinance groups) to reach targeted students.

For example, the American India Foundation (AIF), which has run its Market Aligned Skills Training (MAST) program since 2008, did not attempt to conduct all in-house training services across the 18 Indian states where it now operates. Instead, AIF adopted a franchise model. AIF identifies populations in need, develops the curriculum, sets standards, and scans the market for employer requirements, but then partners with capable local NGOs to recruit students, conduct training, and provide placement and post-placements services in their location. This approach has enabled AIF to achieve significant scale (122 centers and 400 faculty) and impressive outcomes (a 70%–75% placement rate for over 26,000 IT and BPO graduates since 2008) while maintaining its focus on disadvantaged low-income populations.

Other programs, like the Impact Sourcing Academy in South Africa, employ former students to recruit new students from their communities. These groups / individuals are better able to spread information on the program through word-of-mouth and convince potential students of the value of training. Given the hesitation of some students and families (particularly those in rural communities) to travel to training centers and receive training, the credibility of a local organization is important.

We also found that successful programs must be able to tailor intake assessments appropriately — a delicate balancing act. Assessments are necessary to ensure students have basic literacy and numeracy skills and thus will be able to learn the additional skills necessary to meet employer needs. At the same time, the truly disadvantaged students have fewer opportunities to learn basic skills. Assessments that are too difficult may prevent the neediest students from participating. Thus, assessments must balance employer needs with the goal of targeting the vulnerable.

Here again, the American India Foundation offers a good model. When it first launched MAST, AIF utilized official assessments to test basic skills of applicants, but found that this prevented the most vulnerable students from participating. Now, they conduct "motivation-based" assessments. Students walk through training centers and are observed for their interactions with other students and interest in mock training: on average, 1 out of every 4 applicants is selected for the program.

#### Aligning Training to Market Needs

A training model aligned with employer needs is better able to place students post-training. Thus, employer engagement at some level of curriculum and training development is necessary for strong placement rates. We found that programs with strong placement rates engaged employers in one of three ways:

- Employer-Reviewed: In this approach, employers regularly review training and curriculum with the training organization. In some instances, this was done once a year whereas other programs reviewed curriculum for every batch of students to ensure students would be better prepared for the employer's particular requirements.
  - Year Up, an acclaimed training organization with operations in 10 cities in the U.S., conducts employer reviews of their program once a year partly because the program itself is 11 months, far longer than other models studied. Year Up uses the annual review to diligently adapt the curriculum to changing employer needs and to incorporate lessons from the previous program cycle. Others such as Nairobits have that found more frequent reviews are necessary to keep up with the rapidly changing needs in the local marketplace.
- Employer Co-Designed: In this approach, employers are directly involved in curriculum design and planning of the training program along with the training organization. For example, employers who join the Monyetla work-readiness training consortia in South Africa take the lead on developing curriculum that meets their needs. They then work with a third-party training provider (also in the consortia) to deliver training properly.
- Employer Co-Designed and Co-Executed: The training organization performs the recruitment and develops the basic curriculum while employers develop and conduct specialized training. Youth4Jobs, in India, allows partner employers with specialized needs, e.g., software companies, to train students in specialized skills directly after Youth4Jobs recruits, screens, and trains them in basic skills.

We found that training programs with strong placement rates engaged employers through at least one of these three approaches. We did not observe any correlation between any single one of these approaches and higher placement rates. Clearly, there are many factors at play. Suffice to say: employer engagement in one form or another is critical. Training programs with little employer engagement usually have correspondingly dismal placements rates, if they track them at all. Successful training programs resolve to engage with potential employers, but then select the method that works best for them.

#### Effectively Teaching Poor and Vulnerable Students

Poor and vulnerable individuals often have little to no work experience in or even exposure to the corporate world and its workplace norms. For most of the training models we evaluated, trainees were aiming to land their first formal sector job. Thus, each model found it had to tailor training in order to, as one training director put it, "meet trainees where they are."

Directors of these programs pointed to elements typical of any effective training program: small class sizes and sufficient repetition. Small classes are important because they allow for individual attention and interactive training. Repetition is important because it offers students multiple opportunities to learn necessary skills and appreciate the characteristics of good performance.

Poor and vulnerable students also require training for the skills needed to succeed in the new world of formal sector work. This includes teaching topics that readers of this paper may take for granted: appropriate workplace attire, time management, financial management, professional communications skills, etc. For example, Impact Sourcing Academy cited the on-the-job training that students gained in their program as particularly important. They were able to adjust to formal-sector work environments before being placed into a full-time role. This also allowed trainers to address areas for improvement in a "live" work environment.

All of the programs stressed the importance of a generally supportive environment for students both during training and later in their careers. For some, this meant "extracurricular" services for students: counseling, peer support groups, and post-placement services. Vulnerable students often enter training with very low self-esteem and difficult (sometimes traumatic) histories of abuse or neglect. They benefit from safe peer groups where they are able to discuss challenges. Post-placement support and counseling, such as that provided for 3 months after graduation by Youth4Jobs in Andra Pradesh, is helpful in transitioning students from training to work and building the confidence necessary to succeed in a professional environment.

#### Scaling Training Programs

Many of the training programs are in the process of increasing the scale of their work and some have a long way to go before they train more than a few thousand students per year. However, a few models such AIF, Scope International, and YearUp have achieved modest scale. We found that those models and others on their way tended to use one or more or a mix of the following three approaches to expansion.

• **Franchise / Distribution**: In this model, the training organization develops the basic curriculum and local partners (private or public) conduct training. Generally, the training organization retains management oversight and reviews quality of training.

As mentioned earlier, American India Foundation utilized a franchise approach for its Market Aligned Skills Training (MAST) program and has been able to realize significant scale. Over 96,000 students have passed through the MAST program its founding in 2008 (with 26,000 in BPO or ICT enabled jobs). Most of these are students with 12<sup>th</sup> grade pass from rural and disadvantaged low-income homes.

Nairobits, originally founded in 2000 to train youth in Nairobi, created additional country hubs in Kampala (Kampabits), Addis Ababa (Addisbits), and Zanzibar City (Zanzibits) in 2007 and 2008. A central entity, "MamaBits", provides overall program management and direction across the various hubs. The entire program has around 6,000 alumni, but the majority of those have been and continue to be trained at the original Nairobi location – the newer hubs still have small class sizes

- of around 20-30 students per year. (The management is concerned about expanding too quickly and graduating students for whom they will have trouble matching to good jobs.)
- Partnership: In this approach, the training organization partners with universities
  to leverage their infrastructure, funding, and ability to recruit large numbers of
  students. Both Global Talent Track (India, China, Malaysia) and Year Up (USA)
  partner with universities for use of their infrastructure, their ability to recruit large
  numbers of students, and in some cases for funding support as well. Global Talent
  Track partners with universities to provide technical training for students enrolled
  in specialized IT programs. Year Up is now experimenting with programs in
  conjunction with community colleges like Miami Dade (the largest in the US) to
  provide technical skills training and facilitate work experience linked to market
  needs.
- In-House: Scope International is the "captive" BPO of Standard Chartered Bank and runs its own in-house intake and training programs. It has only recently experimented with intentionally training and employing people from disadvantaged backgrounds (it recently launched a small training program targeting disabled women in India and a rural BPO, also in India). In general, however, Scope has achieved significant scale on the back of the bank's growing need for business processing services. Scope maintains 15,000 employees in India, Malaysia, Kenya, and Ghana. This model demonstrates an opportunity for quickly scaling training and placement if a program is able to fully align itself with the needs of a large and / or rapidly growing industry or business.

Some of the other models have also expanded to new cities and new countries. Still, overall numbers remain modest, especially compared to the size of populations targeted in anyone of these geographies. All of the independent models profiled will require investment and support, especially those operating with a scalable, sustainable business model.

#### Realizing Cost-Effective Impact

All eight models demonstrated cost-effective impact, at least according to one important metric: the cost of training as a proportion of the income earned by the trainee post-training.

In every model evaluated, the cost of training was quickly covered by average salaries earned after graduation, which is an encouraging indicator of some kind of impact. Across all eight, it took, on average, 3.6 months of post-graduation earnings to cover the cost of training, which was not necessarily borne by the trainee.

In fact, there was almost always an increase in salaries over average household incomes. In other words, the trainee made more, individually, after graduating than the average household in their country, state, or whatever region had data available. The size of the increase over average household incomes was often determined by the background of trainees. For instance, trainees from rural areas often saw a much larger increase in their incomes versus those from urban areas, though that historical data was not readily available for all of the models.

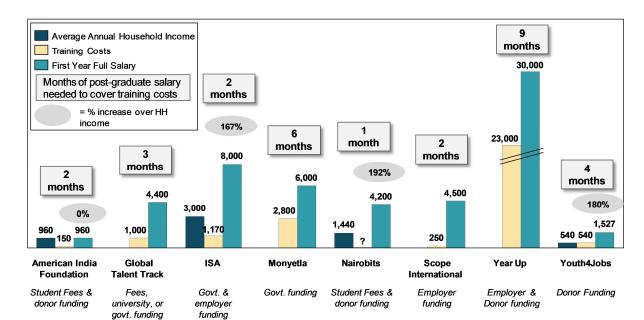


Figure 1: An Attractive "Return on Investment": Income, Training and Salary Metrics<sup>2</sup>

The training models each operate in very different contexts and target trainees of varying levels of education attainment and disadvantaged status. For example, Youth4Jobs targets persons with disabilities and Scope International, for the most part, does not target particularly disadvantaged segments. They have very different training costs and post-completion average salaries, despite both operating in India.

It is worth noting that these programs represent varied approaches to funding. Some are entirely government or donor funded (Monyetla, Youth4Jobs), but most maintain some kind of mixed model. This should not be surprising. After all, they are addressing needs (or covering deficiencies) felt by various sectors of a society: governments concerned about the work-readiness of their region's young people, private sector entities desperate for talent, and young people looking for new skills and opportunities. The key for any program is to design a funding model that allows them to sustainably serve the population they target while meeting market needs. Most that target the BoP or other more deeply disadvantaged segments require some level of subsidy. Others, like Global Talent Track, have proven their worth to traditional, for-profit investors.

#### **Conclusion: Checklist for Investors and Donors**

Demand-led training models offer great promise for enabling disadvantaged youth (and many other segments of the population) to gain digital jobs. But, like all inclusive businesses we have studied over the years, getting the business model right is

<sup>&</sup>lt;sup>2</sup> GTT figures are the cost of the most expensive program and the average salary; ISA salary includes allowances (i.e., Travel); Monyetla training costs include daily student stipend; Nairobits training costs only include student fees; Scope training costs are mainly process training, more in-depth training can cost up to 1,000 USD. All currencies converted to current USD exchange rates on September 11, 2012. There is no apparent relationship between cost of training, salary, scale, and student placement

challenging. It takes time. Truly disruptive models (e.g., microfinance) emerge over a period of years and usually after a significant subsidy. The demand-led training space is not likely to be any different. Investors and donors ought to get behind winning models now and apply early lessons to other models and contexts including in educational reform and job creation efforts.

As they do so, we hope this document will serve as a guide and perhaps also a checklist. Specifically, investors, donors, and others ought to ask:

- Is the model effectively targeting the poor and vulnerable?
- Is the training model teaching the right skills to meet the needs of local businesses?
- Is the training model effectively teaching poor and vulnerable students and adapting training best practices to the unique needs of that target segment?
- Could (or has) the model achieve(d) scale? How?
- Is the model cost-effective? How much does it cost to train a single student and what kind of impact is it realizing?

Those that perform well on all these dimensions hold significant potential, not only for the impact they have on trainees, but also as examples to other educational and training programs. Their best practices need to spread. If that happens and more programs are meeting the needs of the market, the impact can be life-changing.

As the director of one program explained it, disadvantaged youth are on one side of a river where informal jobs are often all that is available and cycles of poverty persist. On the other side sit the education institutions of the privileged, formal economy jobs (including most digital jobs), and other stepping stones for a more prosperous future. Unfortunately, these youth are likely to remain on the latter side of the river; there are very few bridges across. Demand-led training programs like those profiled here are building new bridges. The better we understand them and help them evolve to sustainable, scalable, and impactful operating models; the more poor or vulnerable youth find passage across the river.

## **Appendix A: The Training Models Evaluated**

American India Foundation	12
Global Talent Track	13
Impact Sourcing Academy	14
Monyetla	15
Nairobits	16
Scope International	17
Year Up	18
Youth4 Johs	10



## **American India Foundation MAST Program**

#### • Program Background

- AIF founded in 2001 in wake of the Gujarat earthquake, Market Aligned Skills Training (MAST) program launched in 2008
- MAST has trained over 96,000 disadvantaged and rural Indian students, 26,000 (25%) in IT / BPO
- AIF's MAST program is in 18 states and has 122 centers and 400 faculty

#### Business Model

- Funding Model: Philanthropic donations and student fees
- Training cost per student is around Rs. 7,500 or Rs. 11,134 for persons with disabilities (PwDs) (~\$95 or \$225)
- Wages vary according to post-graduation placement, but average salary is Rs 4,000 per month (~\$80)
- Curriculum is developed by AIF and then local partner organizations receive funding from AIF and administer the training (e.g., Anudip)
- 4 class cycles run per year with a maximum of 120 students per batch

#### Training Model

- Core Curriculum composed of four key areas: Workplace English, Workplace Readiness, Workplace IT, and Financial Literacy
- 24 specialized course tracks ranging from BPO to fashion design

#### Trainee Background

 Workers are from poor rural and disadvantaged areas; recruiting is targeted at the truly needy (vs. having rigorous pre-skills screening)

#### • Measure of Success

70%–75% placement rate for over 26,000 IT and BPO graduates since 2008



#### **Global Talent Track**

#### Program Background

- Founded in 2008; 40,000 alumni, majority in India
- As of August 2012, GTT had 15,000 students enrolled in India; 1,500 in Malaysia, and 1,500 in China

#### Business Model

- Funding Model: Funding comes through private organizations (Helion Ventures, Cisco Systems, Intel Capital) and student fees
- Training cost per student ranges from Rs 10,000–50,000 (\$200–\$1,000) depending on course and average graduate salary ranges from Rs.10,000–30,000 / month (\$200–\$600)
- Program has 4 different engagement models
  - Walk-in centre paid for by student fees
  - University model; university pays for specific groups of students to get skills training
  - Government; local governments pay for disadvantaged groups of university students to get training
  - Employer; occasionally, companies pay for specifically trained students

#### Training Model

- Stand-alone program that offers a range of different IT and other courses
- 80% of each course focused on technical skills

#### Trainee Background

 University students and graduates; some from disadvantaged backgrounds (parents who are rickshaw drivers, etc.) and incomes as low as 100,000 Rs / year (~\$1,800 USD)

- 70%–90% placement success rates
- Winner of IT excellence award from Green IT and selected as Siemens' most valuable training partner



## **Impact Sourcing Academy**

#### Program Background

- Program started in April 2012 and has trained a total of 149 students (62 under Monyetla and 87 as part of an abbreviated program); target is 2,500 jobs in 5 years — promising partnerships with BPOs like Aegis, ABSA, etc.
- ISA is one of several training models developed under the Community Individual Development Association (CIDA)

#### Business Model

- Funding Model: Currently, all funding is under Monyetla program. Will be PPP model with a mix of Monyetla and employer funding and student loans
- Training cost per student is approximately 9,600 RND including set-up costs, training costs, and placement costs (1,170 USD)
- Average annual salary is 48,000 RND or 66,000 RND with allowances (~5,800 USD or 8,000 USD)

#### Training Model

- Stand-alone training program organized and designed in a consortia with employers
- 16-week 60–128 credit skills training program
- On-the-job training is often provided
- Clear demand-led approach to curriculum development

#### Trainee Background

- Low-income unemployed youth with minimum matriculation qualification
- Majority of students come from townships

- 42/42 full-time graduate learners employed 100% placement rate
- "The caliber of the learners is amazing" Aegis BPO

## **Monyetla Work Readiness Program**

#### Program Background

- Program started in 2008 as part of a broader effort to attract international
   BPOs to South Africa. It has trained over 4,000 students in Phase I and II; now
   42 employer-led training consortia across 6 provinces in Phase III
- Goal is to train unemployed South Africans for work readiness in entry-level international BPO jobs (not domestic outsourcing contracts)

#### Business Model

- Funding Model: Sustainable PPP model Department of Labour's National Skills Fund covers the cost of student training, while employers cover the cost of supervisor training through levy / grant system
- Training cost per student is 23,350 RND (2,858 USD) including a daily stipend of 55 RND
- Average salary received after graduation ranges from 1,500 to 6,000 RND per month (~\$180–\$730 USD)

#### Training Model

- Stand-alone training program partnered with employers through consortia model
- 16-week 60 credit skills training program
- Minimum of 1 month on-the-job training during 4 month training program
- Clear demand-led approach to curriculum development

#### Trainee Background

- Trainees must be unemployed, have grade 12 diploma or be a graduate, and be under 35 years of age
- 76% black, 64% female, 1% disabled

- 99% of Monyetla students completed the 60 base credits
- Overall, 86% of Monyetla graduates find employment



#### **Nairobits**

#### Program Background

- Founded in 2000 by Dutch NGOs, 6,000 alumni, currently 540 students per year
- New country hubs started in Ethiopia, Uganda, and Tanzania

#### Business Model

- Funding Model: Majority of funding through donors, but students pay a small fee (750 Kenyan shilling / month or 9 USD) for the first 6 months
- Training cost per student varies depending on training partner costs and the levels of training each student completes and is not explicitly tracked
- Average graduate salary ranges from 10,000 Kenyan shillings / month for simple BPO jobs to 40,000 / month for web design (USD 120 to 500)

#### Training Model

- Stand-alone training program; 4 different levels of increasing complexity of training
- Levels 1–3 conducted by local NGOs and students must pay fees
- Level 4 conducted in Nairobi, only top performers can attend (about 100 annually); all funding for Level 4 comes from donors

#### • Trainee Background

- Students from slums and informal settlements in Kenya who have completed secondary school
- Average household income is often less than 10,000 shillings / month

#### Measure of Success

 60% of students find full-time employment through Nairobits, while others start their own business or look for their own opportunities



## **Scope International**

#### • Program Background

- Scope International is Standard Chartered's captive BPO
- Scope employs 14,000 workers: 8,500 workers in India, 4,000 workers in Malaysia, 1,500 in China, (and approximately 1,000 in Africa)<sup>1</sup>

#### Business Model

- Funding Model: private, all funding is in-house and covered by Standard Chartered
- Training cost per student: Rs 10,000 (\$200) for the initial training induction and additional Rs 2,000–4,000 (\$40–\$70) for specific skills training

#### Training Model

- In-house training model provides employees with Standard Chartered & Scope induction, communication skills, and technical skills specific to their position
- 2-week initial induction program followed by position-specific training
  - o 70% on-the-job training, 20% mentorship,10% classroom and e-learning

#### Trainee Background

- A vast majority of Scope employees are college graduates from middle-income homes
- Average age is 30, 2-to-1 ratio of men to women
- E-Ops (Scope's rural BPO) workers are low-income and mostly women (~40 workers)

- Approximately 15,000 BPO employees with low attrition rates (15%–20%)
- New training program piloted which is tailored specifically for disabled employees (26 total)

# **Y**yearup

## Year Up

#### Program Background

- Founded in 2000, scaled to 10 U.S. cities, further scaling ongoing
- 3,500+ alumni and 1,500 current students; 250+ corporate partners

#### Business Model

- Funding Model: Sustainable PPP model approximately 50% of revenue from corporate partners, 45% through philanthropic donations, and 5% through public funds
- Training cost per student is ~ \$23,000 covering training, educational stipend, any college credits received, and administrative costs
- Average Graduate salary is \$15 / hour, which translates to \$30,000 / year

#### Training Model

- Stand-alone training program partnered with corporate organizations
- 5 months of classroom training and a 6 month internship
- Curriculum teaches mix of professional and technical skills

#### Trainee Background

- Students are 18–24 year old high school graduates of low / moderate income
- 84% of students attend school or are employed full-time within 4 months of graduation
- Majority of trainees employed in IT in a range of companies: Google, Citi, Red Cross

#### Measure of Success

 In a 2007 study, Year Up graduates were more likely to have higher earnings, higher hourly wages, and be employed full-time vs. control group

## Youth4Jobs Inclusive Workforce - Motivate-Train-Place

## Youth4Jobs

#### Program Background

- Program has been running for 18 months and has trained 2,000 rural youth and 2,500 disabled youth; 14 current training facilities
- One of the only programs in India to target PwDs (persons with disabilities) and provide them with vocational training and employment opportunities

#### Business Model

- Funding Model: Government subsidizes training, housing, food, and travel costs for students; the rest is raised from philanthropic contributions
- Program is currently underfunded compared to demand
- Training cost per student is approximately Rs 25,000; an additional 5,000–6,000 is required for PWDs for specific training needs or other needs (i.e., correct footwear for foot-disabled) (\$450 or \$550 for PWDs)

#### Training Model

- Stand-alone training program that operates in close partnerships with other training organizations
- 3-month classroom training including 15 days on-the-job training
  - o Curriculum includes a mix of English, Hindi, technical skills, and life skills
  - Clear demand-led approach to curriculum development

#### Trainee Background

- Poor and underprivileged youth from rural and tribal areas
- Disabled youth (mostly rural, but some urban as well)

- 4,500 students trained in first 18 months of program
- Approximately 75% of students placed in top-tier employment, and 25% placed in second-tier employment