

Innovation in Vocational Education & Skills Training: Investing in Youth and the Informal Sector



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Abstract

The informal sector of the economy is becoming increasingly important for youth employment and national development throughout the continent. This paper argues that the vast majority of African youth are locked out of a system which was designed for the 20th Century. Commonwealth of Learning is mandated to support governments and institutions to benefit from educational technology. INVEST Africa is a COL-CAPA collaborative programme which aims to build the capacity of TVET institutions to harness the potential of ICT to both meet the needs of this important group and also improve the quality of general TVET offerings. The paper will look at the findings of the recent Global Monitoring Report in relation to technical & vocational skills development for the informal sector in sub Saharan Africa and how it can harness ICT and flexible and blended approaches to provide for those who have been disadvantaged.

Introduction

This is the second time this year that I have faced the CAPA conference and it's good to be back amongst friends. Earlier this year in Mombasa I spoke about the need to ensure that women and girls get equal access to TVET – which is an issue that I feel strongly about.

Today, I've been asked to respond to the main theme of the conference and this is also an issue which greatly concerns me – how can TVET respond to the challenge of youth unemployment in Africa?

Research has shown that the majority of young people in Africa will never work in the formal jobs market but will be employed or self employed in the informal sector. I am taking my information from the Global Monitoring Report 2012 which was published last month. It is a huge report but I urge you to scan a copy if you want to learn about trends in education and training.

At COL, we believe that TVET institutions can do more to offer relevant programmes for the informal sector. In this presentation I aim to quantify the informal sector employment and training needs in sub Saharan Africa and establish the growing importance of the informal sector. I will then review the current design of formal TVET to evaluate its relevance to providing for people working in the informal sector. Finally, I will present the COL approach which introduces more flexibility into TVSD provision as a possible way forward to meeting the demands of this important employment sector.

The Informal Sector

The informal sector was first recognised in the early 70s by the ILO and it was expected to be a temporary phenomenon, providing work opportunities until the formal sector created more jobs. In the 1980s, however, structural adjustment programmes and slow economic growth led to a reduction in public sector jobs that was not offset by job creation in the formal private sector. Rapid economic growth in the 2000s did not reverse these trends, so the informal sector has persisted and, in the current economic downturn, is likely to grow. GMR 262.

What do we mean by the informal sector? A description of informal sector enterprises will help us here: they do not keep formal business records, have no legal status and are not regulated. Informal enterprises are typically fragile because they operate in markets that are limited geographically and often saturated with other informal businesses, as entry is relatively easy. In many cases, low levels of technology are used, output prices are low and customers are poor (Adams et al., forthcoming; Charmes, 2009; Palmer, 2007).

The diversity of the informal sector makes its size and scope difficult to grasp. It covers a wide range of economic activities, from subsistence activities, such as waste-picking and street vending, to sewing and garment-making, car repair, construction and various crafts. (GMR 260).

In nearly all African countries the younger generation is the largest ever. In sub Saharan Africa around 60% of the population is under 25 years. These young people will become an engine of growth if countries can provide them with opportunities – but they are not being adequately prepared for the role. If they enter adulthood without the education and skills they need to realize their potential, unemployment, poverty and social dislocation could rise. Investing in the skills of these young people could ensure that countries benefit from the massive potential they offer. GMR 177

The third goal of the UNESCO Education For All Initiative is; *Ensuring that the learning needs of all young people and adults are met through equitable access to appropriate learning and life skills programmes*. However, the 2012 Global Monitoring report says that a lack of clarity on indicators means that it is unlikely to be possible to state progress against EFA Goal 3 by 2015. This means we don't know if progress has been made since the turn of the century.

People need foundation skills to stand a chance of getting jobs that pay decent wages and becoming a productive force in the economy. These skills are best acquired through formal education. But many people enter adult life without these skills. A study for the Global Monitoring Report showed that half of 15-19 year olds lack foundational skills in 23/30 sub Saharan counties. GMR 119. So for many youth, the most immediate need is a second chance to develop foundation skills. Those who have already achieved

foundation skills need equitable opportunities to develop further skills in a trade, as well as transferable skills to enable them to become more successful entrepreneurs. (GMR 2012:263)

The consequences of such low levels of education are grim for the young people concerned and for the countries in which they live. Many youth will be consigned to poorly paid, insecure and often risky work, and their countries will be deprived of the kind of skills that can drive economic growth. GMR 2012:180

So how big is the Informal sector?

Figures vary in different studies but it appears that the informal sector provides 70-80% of employment in urban areas. GMR advises that in many African countries, the informal sector accounts for up to 70% of non-agricultural employment.

According to Adams at the World Bank (2008), *“the informal sector has become a growing source of employment for large numbers of youths, but also older workers pursuing entrepreneurial goals. Initially viewed as a safety net for those unable to find employment in the modern sector, the image of the informal sector has begun to change with time and the education of those entering it. More workers have begun to view it, not as a temporary stop while searching for employment in the formal wage economy, but as a preferred destination offering opportunities to those wanting to become entrepreneurs.”*

Job growth in the formal wage sector has stagnated in countries throughout Africa which makes it difficult to absorb the rising numbers of new entrants to the labour force. So selfemployment has opened opportunities for youths who are acquiring higher levels of education and skills (Fox and Gaal 2008). Rising education levels are producing higher levels of earnings in the informal sector.

The size of the informal sector, estimated to account on average for 42 percent of GDP in 23 African countries in 2000, is forcing governments to acknowledge its existence and importance to the national economy and the welfare of those informally employed.

Gender inequities

Discrimination both in education and in labour markets denies opportunities to certain groups, notably young women and people with disabilities. This requires special attention in policy. Discriminatory social norms (such as early marriage) and institutional practices limit young women’s mobility and access to education and training, as well as to paid work, while imposing a heavy burden of unpaid, domestic work. More women than men are employed either in the informal sector or informally in the formal sector in 25 of 39 countries in a recent ILO survey (GMR 2012:263). Young women often work long hours in household and informal work that is less visible to policy makers. Women are more likely to be NEETs – not in employment, education or training than men. Women suffer from more discriminatory practices than men making it more difficult for them to find work but if they do find work they can expect to be receiver lower pay.

Characteristics of TVET in Africa

Technical and vocational education and training in Africa is characterised by full-time, face-to-face programmes designed for pre-employment training for a small percentage of young people, predominantly males, who have good exam results from secondary education. A wide range of potential beneficiaries of skills training have traditionally been ignored or disadvantaged – effectively they have been ‘locked out’ of the TVET system. African Education Sector Strategic Plans and policies describe the need for lifelong learning but few TVET system reforms provide mechanisms by which this can be achieved. Some national TVET policies, such as in Botswana and Zambia, provide for distance and elearning approaches in skills development but implementation is fragmented and slow.

TVET in Africa characterised by ADEA as:

- Expanding informal sector and shrinking wage employment opportunities;
- Huge numbers of poorly educated, frustrated and unemployed youth who are ‘locked out’ of the formal skills training system;
- Unequal training opportunities fostered by inequities based on geographical location, gender and socio-economic factors

Challenges to providing informal sector TVSD

Part of the problem is that government skills development strategies often overlook the informal sector. Most government policies, particularly overarching national development strategies, largely view skills development in relation to the demands of formal sector employment. Although many policies encourage entrepreneurial and management skills to promote self-employment. Of the forty-six countries reviewed for the 2012 Global Monitoring Report, fewer than half addressed skills development among youth in the informal sector, and very few had detailed policies (Engel, 2012). South Africa’s National Skills Development Strategy is a notable exception. It aimed to transform its vocational education and training system to provide youth with jobs in the informal labour market.

Financed almost exclusively by a vocational education levy paid by enterprises, it has been able to train more than 320,000 youth for employment in the informal sector. About 66% were able to find work in informal public work infrastructure programmes in rural areas. (GMR 211) Contrast Zambia where the 6th National Development Plan contains no reference to informal sector skills training.

Other impediments also stand in the way of the public sector’s response to meeting the skills challenge for the informal sector. The training offered by the public sector is considered theoretical in focus without sufficient opportunities for practice and biased toward white-collar jobs in the wage sector (Liimatainen 2002). Entry requirements and fees are often too high and the training methods used better suited to a more literate population. The courses offered are considered rigid and too standardized to meet the multi-skilling needs of the highly diverse informal sector.

The challenge is that in most African countries the formal TVET system has been losing its identity due to low budget provision, inadequate infrastructure, out-dated materials and pedagogy (UNESCO-UNEVOC 2009).

Formal TVET institutions need to become more efficient and responsive to the demands of the labour market. *“If systems of education and training are to cater to both the formal and the informal labour markets, then they need to take into account the traditions and values of the system of vocational learning in working life, cater to the requirements of local development and be based on an understanding of the kinds of economic and cultural contexts in which they work.”* (Singh 2000). We agree with Singh that a better understanding of the needs of the informal sector should inform curriculum development and training provision which targets people working in, or destined for, the informal sector. And it is true that this is happening.

What can be done?

Public technical and vocational education programs are largely focused on the full-time student preparing for entry into the world of work and require sustained periods of time in school. The focus on pre-service training is not matched by a focus on in-service training for those already employed. This model has proven ill-suited to those among the poor seeking to combine school and work in part-time fashion to provide families with income, and similarly, to meet the needs of older workers who are unable to afford time away from work for training. A more flexible approach is needed. Examples of this are found where schools have adopted modular, competency-based curricula that permit flexible entry to and exit from training at hours not interfering with the workday.

In many countries, more youth are trained in the urban informal sector through traditional apprenticeships than in formal training institutions: costs for their families are usually lower, as are educational entry requirements. In Ghana, for example, there is a programme to train Master Craftsmen as trainers and support them to train apprentices not only in practical skills but in the knowledge required for their craft. (Walther, 2011). It is reported that apprenticeship training is responsible for 80% to 90% of all skills training, compared with 5% to 10% for public training institutions and 10% to 15% for NGOs (Palmer, 2007).

You can find out more from COTVET www.cotvet.org

In Malawi, the informal sector has been given great attention and our colleagues from TEVETA have published all the details of their skills development and other initiatives for the Informal sector on their website www.tevetamw.com

The attention of the world is turning to youth unemployment and skills training. At the UNESCO World Congress on TVET earlier this year, we devised a 7 point plan of action which includes:

- Adopting innovative measures to improve the quality and inclusiveness of TVET;
- Targeting disadvantaged groups – which would include those destined for the informal sector;

- Promoting equal access of males and females;
- Targeted funding schemes

Policies and programmes for both urban and rural skills development have to focus on three key areas if youth are to have enhanced job opportunities.

First, improve access to primary and post-primary education, paying particular attention to girls.

Second, expand training for basic and vocational skills to make up for skills deficiencies or gaps within the labour market.

Third, provide business and entrepreneurial skills training to improve young people's understanding of market opportunities and develop their management expertise.

The Global Monitoring Report makes 10 recommendations on what needs to be done.

- Provide second-chance education for those with low or no foundation skills
- Tackle the barriers that limit access to lower secondary school
- Make upper secondary education more accessible to the disadvantaged and improve its relevance to work
- Give poor urban youth access to skills training for better jobs
- Aim policies and programmes at youth in deprived rural areas
- Link skills training with social protection for the poorest youth
- Make the training needs of disadvantaged young women a high priority
- Harness the potential of technology to enhance opportunities for young people
- Improve planning by strengthening data collection and coordination of skills programmes
- Mobilize additional funding from diverse sources to meet the training needs of disadvantaged youth

The COL-CAPA INVEST Africa programme

The purpose of INVEST Africa is to:

1. build the capacity of TVET institutions to benefit from the potential of new technologies in flexible delivery approaches
2. increase access to skills development for learners currently locked out, especially women and people in the informal sector

At COL, we believe that if the demand for informal sector training is to be met it will be institutions in the formal TVET system that do it. NGOs and FBOs do provide useful skills training but they tend to rely on traditional methods which are geographically localised and cannot be scaled up efficiently. In INVEST Africa, you will remember that COL is partnering with 11 TVET institutions from 6 countries and in recent months we have welcomed 2 more institutions – MUBS in Uganda and Rift Valley Technical Training Institute in Kenya.

If more and different learners are going to benefit from expanded access to skills training then it is likely that ICT in flexible and blended approaches will have an important role to play. For this to happen, attention needs to be paid to national and institutional policy and capacity planning, staff development and ICT infrastructure.

The increasing use of ICT in schools and higher education has largely passed the TVET sector by. COL and her partners believe that the appropriate use of new technologies can contribute to a range of benefits for formal TVET institutions including:

1. Increased access to TVSD through flexibly delivered programmes which meet the needs of diverse learners – especially those working in the informal economy
2. Improved quality of teaching through relevant, responsive, resource-based learning
3. Increased revenue streams to institutions who can offer flexible short or distance courses to balance their cash-flow
4. Improved ICT skills of teachers
5. Improved ICT and vocational skills of learners leading to enhanced employability

We have been building capacity to introduce educational media and technology into programme delivery for both college based and distance or flexible learners. Some of the achievements of the institutions include:

- 1 Unskilled construction workers increased income by 300%
- 2 Course duration for HR Diploma reduced by 75%
- 3 Outreach center offering part time courses for 200 students
- 4 Access programme for girls enrolled 160 to Diploma programmes
- 5 Smaller TVET institutions are earning additional income through flexible course offerings
- 6 One institution has ‘adopted’ 8 others in their country who are paying for ODL consultancy services and working towards increasing access
- 7 Flexible programmes are helping institutions to meet performance contracting agreements with their parent ministry

- 8 Business and skills training for informal settlement dwellers
- 9 Student enrolments increased in 7 institutions between 5% and 30%
- 10 In total, up to June of this year, 3760 additional learners have benefited from flexible skills training

Conclusion

I hope that you agree that the formal TVET system could do more to provide for the vast majority of youth who will work all their lives in the informal sector. I wish COL could offer support to every institution who wants to do this. But you know our resources are limited and we cannot support everyone.

But everyone is very welcome to join the INVEST Africa online community – just send an email to the Coordinator.

You can see that we are expanding INVEST Africa and when we are looking for new partners, those who are already providing training for the informal sector will have a greater chance of attracting our attention.

Thank you for listening.