KENYA YOUTH EMPOWERMENT PROJECT

PRIVATE SECTOR TRAINING AND INTERNSHIPS

IMPACT EVALUATION SURVEY
OVERVIEW OF KYEP

- KYEP (Pilot) is a Government of Kenya Project Financed by the World Bank
- It has two components;
  - Capacity Building and Policy Development (Ministry)
  - Private Sector Training and Internship (KEPSA)
- Overall Project Development Objective is to support Government of Kenya effort in improving youth employability
- KYEP Key outcome indicators
  - Wage employment;
  - Self-employment;
  - Further Trainings, education or skills development
Objective: Improve youth employability, by providing skills and work experience in both formal and informal sectors

Eligible youth: 15-29 years, at least 8 years of schooling, out of school for at least a year, not working, Kenyan and have not participated in previous cycles.

Duration: Divided into 8 cycles of 6 months each (2 months Training and 4 months Workplace Experience)

Implementation Location: Nairobi, Mombasa and Kisumu
1. **Creation of internships** in the private, non-agricultural sector (formal and informal sectors of employment).

2. **Provision of Internship Training and Work Place Experience.**
   - **3 Weeks Life Skills training:** Experiential training focusing on Self Awareness, Self esteem, decision-making, communication, leadership and interpersonal skills, personal management & coping skills, occupational health & first-aid, interviewing and CV writing skills, work ethics etc.
   - **3-5 Weeks Core business Skills training:** ICT, customer care, communication, office practice & etiquette, marketing, human resource management and finance
   - **2 Weeks Entrepreneurship Skills training:** For those in MSE. This includes an element of business plan development, competition and mentorship
   - **Work Place Experience:** 4 Months in the different sectors of the economy

3. **Employers Engagement:** Quarterly Meetings; Curriculum review; Mentorship

4. **Monitoring and Evaluation:** Capture lessons from the pilot for possible scale up (MIS; Beneficiary Assessment; Tracer Surveys, Impact Evaluation)
The IE was designed to enable generate credible evidence on “what works” in youth employment programmes for out of school youth in urban areas and in strong collaboration with the private sector.

A rigorous survey methodology was adopted and data was collected by IPSOS Synovate and Analysis by World Bank.

This study is the first of its kind to be carried out in African region.
The study was conducted at the early stages of training and internship program (second cycle)

Packages

- Trainings
  - 2 weeks of life skills training
  - 3-5 weeks of core business training
  - 5 weeks of sector specific training
- Workplace internships
  - 12 weeks of internship

to urban youth in Nairobi and Mombasa only.

Overall number of participants in cycle 2: 1,174
IE OBJECTIVES AND EVALUATION QUESTIONS

1. Is the training & internship program effective to promote youth employment and earnings?
   - Who benefits the most?
   - Are impacts higher in the formal or informal sectors? Wage employment or self-employment?

2. Is the training & internship program effective to promote further skills development?

3. Is the full program cost effective?

4. Do the two weeks life skill training alone increase youth employability?
IE IDENTIFICATION STRATEGY

Random assignment

Eligible applicants

- T2: Full training & internship program
- T1: Life skills training only
- C: Control

Life skills training

Employers’ selection

Placed: Business Training and Internships

Out

Non-random assignment
TIME-LINE OF ACTIVITIES

Applicatio n process
May 2012

Lottery
June 2012

Baseline data collection
August 2012

Program implementation
August 2012- May 2013

End-line data collection
Nov-Dec 2013 & July 2014

Life skill training
Aug 2012

Core business T
Oct- Nov 2012

Sector specific
Nov. 2012

Internship
Jan- Apr 2013
Survey sample composition

• Baseline sample

2113

- Full program (830)
- Life skills training only (313)
- Control (970)

• End-line sample (2nd)

1618

- Full program (656)
- Life skills training only (252)
- Control (710)

23% ATTRITION
SUMMARY IMPACT EVALUATION FINDINGS
14 is the average number of years of schooling

- **53%** are tertiary level students (either started or completed).
- **29%** have completed secondary education.
- **18%** have not completed secondary education.

Bar chart showing:
- Primary not completed
- Primary completed
- Secondary not completed
- Secondary completed
- College not completed
- College completed
- University not completed
- University completed

Legend:
- Male
- Female
- Unemployment and inactivity rates among female are double compared to male

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>C</td>
<td>T2</td>
</tr>
<tr>
<td>Employed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wage employed</td>
<td>69%</td>
<td>75%</td>
</tr>
<tr>
<td>Self-employed</td>
<td>23%</td>
<td>22%</td>
</tr>
<tr>
<td>Employed (unpaid)</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Unemployed</td>
<td>21%</td>
<td>18%</td>
</tr>
<tr>
<td>Inactive</td>
<td>10%</td>
<td>7%</td>
</tr>
<tr>
<td>Inactive student</td>
<td>5%</td>
<td>2%</td>
</tr>
<tr>
<td>Inactive non-student</td>
<td>5%</td>
<td>5%</td>
</tr>
</tbody>
</table>
Probability of wage employment is double than self-employment

<table>
<thead>
<tr>
<th>Control</th>
<th>T2</th>
<th>T1</th>
<th>Control</th>
<th>T2</th>
<th>T1</th>
<th>Control</th>
<th>T2</th>
<th>T1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>Nairobi</td>
<td></td>
<td></td>
<td>Mombasa</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wage employee</td>
<td>Self-employed</td>
<td>Wage employee</td>
<td>Self-employed</td>
<td>Wage employee</td>
<td>Self-employed</td>
<td>Wage employee</td>
<td>Self-employed</td>
<td>Wage employee</td>
</tr>
<tr>
<td>38%</td>
<td>21%</td>
<td>20%</td>
<td>41%</td>
<td>21%</td>
<td>19%</td>
<td>34%</td>
<td>20%</td>
<td>22%</td>
</tr>
<tr>
<td>43%</td>
<td>21%</td>
<td>20%</td>
<td>43%</td>
<td>21%</td>
<td>20%</td>
<td>41%</td>
<td>21%</td>
<td>46%</td>
</tr>
<tr>
<td>44%</td>
<td>20%</td>
<td>20%</td>
<td>46%</td>
<td>20%</td>
<td>22%</td>
<td>41%</td>
<td>22%</td>
<td>41%</td>
</tr>
</tbody>
</table>
Youth highly mobile

Youth mobility

- Lived in another region before: 67% (Nairobi), 32% (Mombasa)
- Lived outside Kenya before: 4% (Nairobi), 5% (Mombasa)
- Moved residence since in town: 47% (Nairobi), 38% (Mombasa)
- Moved residence more than 2 times in past 2 years: 32% (Nairobi), 27% (Mombasa)

Internal migration

- Rift Valley: 17% (Nairobi), 13% (Mombasa)
- Nyanza: 26% (Nairobi), 28% (Mombasa)
- Western: 17% (Nairobi), 22% (Mombasa)
- Eastern: 13% (Nairobi), 20% (Mombasa)
- North Eastern: 1% (Nairobi), 0% (Mombasa)
- Central: 25% (Nairobi), 16% (Mombasa)
Self-Reported Main Barriers to Find a Job and Start a New Business

Main barrier to find a job
- Lack of skills: 43%
- Lack of information: 23%
- Lack of labor demand: 10%
- Social/cultural constraints: 25%

Main barrier to start a new business
- Lack of skills: 85%
- Lack of information (on business opportunities): 6%
- Access to finance/start-up capital: 8%
- Social/cultural constraints: 1%
KYEP contributed to help Kenyan youths find jobs

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worked in last 7 days</td>
<td>🍉</td>
<td>🍉</td>
</tr>
<tr>
<td>Worked last month</td>
<td>🍉</td>
<td>🍉</td>
</tr>
<tr>
<td>Wage employment</td>
<td>🍉</td>
<td>🍉</td>
</tr>
<tr>
<td>Self-employed</td>
<td>🍉</td>
<td>🍉</td>
</tr>
</tbody>
</table>

- Self-employed
- Wage employment
- Worked in last 7 days
- Worked last month

IMPACT

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17
Employment effects are mainly driven by the formal sector.

Percentage points increase:

FINANCE (25 male; 18 female)
TOURISM (50 male; 55 female)
ENERGY (29 male; 5 female)
MANUFACTURING (20 male; 14 female)
MSE (Jua Kali) (44 male; 44 female)
ICT (70 male; 41 female)
Significant impacts on earnings

Monthly earnings (wage employees)
Program impacts on employment vary by initial education attainment
- Tertiary educated males benefit the most in terms of wage employment outcomes
- Less educated males and females benefit from the program in terms of self-employment

Program impacts on earnings vary by age
- Higher among older (>24) male
KYEP contributed to ease access to job-relevant skills training

Percentage points increase

- Received training
- Had an internship
- Some college, diplomas
- Has savings
- Has a bank account
- Risk averse
Life skills training proved successful in building confidence, communication, and behavior at workplace (based on beneficiary assessment)

Need to be combined with business training and internships
The program proved to be cost-effective.

<table>
<thead>
<tr>
<th>Unit costs (cycle 2 totals, KES)</th>
<th>Gains (monthly, KES)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training delivery costs</td>
<td>40,294</td>
</tr>
<tr>
<td>Internship delivery costs</td>
<td>43,867</td>
</tr>
<tr>
<td>Administrative costs</td>
<td>12,952</td>
</tr>
<tr>
<td><strong>Total per beneficiary costs</strong></td>
<td><strong>97,112</strong></td>
</tr>
<tr>
<td></td>
<td>Male</td>
</tr>
<tr>
<td></td>
<td>Female</td>
</tr>
</tbody>
</table>

For **males**: it will take about 14 months to offset the costs.

For **females**: it will take about 10 months to offset the costs.
The program has been successful in placing youth in paid jobs among male participants and contributed to an increase of 15% in current employment among male and female.

2. The program was cost-effective
   - KYEP unit costs compare favorably to similar programs (ex. Colombia $750 unit cost in 2005)

3. Employment effects are mainly driven by the Formal sector (wage employment) and higher among educated male. Higher employment outcomes were associated with interns in firms operating in the finance, energy and tourism sectors

4. Self-employment effects are significant among lower educated youth
   - Financial services need to accompany training and apprenticeships/internships

5. Life skills training alone not effective in promoting employment but rather with a combination of Technical Training and on-job training.
MOVING FORWARD KEY QUESTIONS...

- Have Employment gains been sustained to date?
- As Employers what would you say you are taking away from KYEP?
<table>
<thead>
<tr>
<th>Cycle</th>
<th>Status</th>
<th>Employment Status a month after KYEP completion</th>
<th>Status within 6 months post KYEP completion</th>
<th>Current Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cycle 1 (As at Nov 2011)</td>
<td>Employment</td>
<td>23%</td>
<td>71%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Further Skills Development</td>
<td>6%</td>
<td>12%</td>
<td></td>
</tr>
<tr>
<td>Cycle 2 (As at Mar 2014)</td>
<td>Employment</td>
<td>37%</td>
<td>71%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Further Skills Development</td>
<td>3%</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Cycle 3 (As at Mar 2014)</td>
<td>Employment</td>
<td>40%</td>
<td>75%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Further Skills Development</td>
<td>4%</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>Cycle 4 (As at 2nd June 2014)</td>
<td>Employment</td>
<td>40%</td>
<td>77%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Further Skills Development</td>
<td>3%</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>Cycle 5 Follow Up (As at April 2015)</td>
<td>Employment</td>
<td>68%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Further Skills Development</td>
<td>11%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cycle 2 Second follow up (April 2015)</td>
<td>Employment</td>
<td></td>
<td></td>
<td>79%</td>
</tr>
<tr>
<td></td>
<td>Further Skills Development</td>
<td></td>
<td></td>
<td>11%</td>
</tr>
</tbody>
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