Overcoming The Work Inexperience Gap Through Quality Apprenticeships

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ILO’s mandate on skills development, set through tripartite consultations of Governments, Workers and Employers:

Help constituents bridge the world of education and training to the world of work

– to improve the employability of workers,
– to increase the productivity and competitiveness of enterprises, and
– to expand the inclusiveness of economic growth
Linking skills development to Decent work

From a Vicious Downward Circle...

Unavailable or low quality education and training:
- Traps the working poor in low-skilled, low productive, low-wage jobs
- Excludes workers without the right skills from participating in economic growth
- Discourages investment in new technologies

... To a Virtuous Circle...

More and better skills makes it easier to:
- Innovate and adopt new technologies
- Attract investment
- Compete in new markets,
- Diversify the economy, and
- Boost job growth
Countries sustain a “virtuous circle” link education, skills, decent work by...

1. Ensuring the broad availability of quality education
2. Matching supply to current demand for skills
3. Helping workers and enterprises adjust to change
4. Sustaining a dynamic development process: Use skills as a driver of change to move from lower to higher productivity
5. Expanding accessibility of quality training: rural, women, disadvantaged youth, persons with disabilities

HOWEVER... The potential benefits of training are not realised without job-rich growth

This is the ILO’s conceptual framework for skills for employment
Youth employment crisis

- Total Unemployment
- Youth Unemployment

Bar chart showing unemployment rates by region:
- World
- Sub-Saharan Africa
- North Africa
- Middle East
- Latin America
- South Asia
- Southeast Asia & Pacific
- East Asia
- East Europe & CIS
- Developed countries & EU
Where apprenticeship systems are weak, the ratio of youth to adult unemployment rates tends to be higher.
Some countries with more formal apprenticeships have enjoyed lower youth unemployment
Presentation

✓ ILO and skills development

✓ Youth employment crisis

➤ How apprenticeship overcomes the work inexperience gap

➤ How to create more and better apprenticeships

➤ Current ILO work and future questions
How apprenticeship eases transitions to work
Why do apprenticeships improve youth employment? Because employers’ leadership means training matches needs; avoids mismatch

- Workplace training matches employers’ needs - why else would they train?
- Training is kept relevant to workplace needs – fast response to new technologies
- Technical skills evaluated at the workplace – no discrepancy between what’s on a diploma and what a worker can do
- Sector-based apprenticeships sustain engagement of employers and trade unions with training providers
- Core skills made visible – teamwork, decision-making, ability to learn
- Role of trade unions and employers to lead apprenticeship systems, financing, monitoring
Why do apprenticeships improve youth employment: Because **who pays matches who benefits**: Business, Students and Society

**International Labour Standards reflect tripartite agreement**
**Recommendation on Human Resources Development 2004:**

**Governments** have primary responsibility for
- education
- pre-employment training, core skills
- training the unemployed, people with special needs

The **social partners** play a significant role in
- further training
- workplace learning and training

**Individuals** need to make use of opportunities for education, training & lifelong learning
Why do apprenticeships improve youth employment?
Because they can attract young people into training…MAYBE

✓ Opportunity to earn while learning attracts many young people
✓ Providing work experience eases transitions to first job
✓ Learning how to run a business on basis of vocational skill

HOWEVER the perception of the jobs ahead matters!

? Quality training and quality jobs are both required to raise and maintain the social status of apprenticeship

? Are “Skills gaps” really working conditions gaps?

? Do young people have good information about job availability, apprenticeships and career paths; are employment services widely available?

? Do apprenticeships offer pathways to higher education?

? Do apprenticeships broaden opportunities for young women?
Job quality – perception and reality – matters to young peoples’ education choices and to apprenticeship policy

- **Skills utilization** Is this the prevailing business strategy, or is it based on low-wage low-productivity strategies?

- **Youths’ expectations** Productive and decent work, in broader set of industries - tourism, creative arts, ITC, business management?

- **Job growth** Should we prepare young people for the labour market or prepare the labour market for young people? ILO calls for job-centred economic growth. **TRAINING HAS TO BRIDGE TO SOMETHING.**
How to increase apprenticeship opportunities
### Create more and better apprenticeships: Expand *formal apprenticeship*

<table>
<thead>
<tr>
<th>Barriers</th>
<th>Responses</th>
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| Poaching             | • Correct market failure through sharing training costs.  
                         • Include non-transferable company-specific skills in apprenticeship training.                                                     |
| Social stigma        | • Make the jobs attractive.  
                         • Build pathways to higher education through apprenticeship.                                                                              |
| Lack of information  | • Expand Public Employment Services to  
                         ➢ make labour market information available through career guidance;  
                         ➢ broaden youths’ perspectives – improve impressions about apprenticeships & jobs;  
                         ➢ match apprentices to enterprises, especially small enterprises;  
                         ➢ monitor & disseminate employment outcomes of apprenticeship.                                                                           |
Create more and better apprenticeships: Expand *formal apprenticeship* (continued)

<table>
<thead>
<tr>
<th>Barriers</th>
<th>Response</th>
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<tbody>
<tr>
<td>Small enterprises are largest source of job growth but least likely to to offer quality apprenticeship</td>
<td>• Pool apprentices across small enterprises to broaden training.</td>
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<td>• Share costs via public-private partnerships.</td>
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<td>• Attract students with entrepreneurship training.</td>
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<td>• Document how apprentices improve productivity.</td>
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<td>• Include small enterprises in sector approaches.</td>
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<td>• Deploy Public Employment Services to connect small enterprises to apprentices</td>
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<tr>
<td>Youth without good basic education cannot enter apprenticeship</td>
<td>• Public private partnerships can make up literacy or basic skills gaps of school drop-outs or target disadvantaged groups</td>
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</table>
Create more and better apprenticeships: *Informal apprenticeship* system

Informal apprenticeship **is** a training system...
.... Where rules based on customs, social norms, traditions
.... are enforced by social networks, informal associations, kinship groups

It is NOT ad-hoc work experience.
It is the best chance many young people have of learning a trade and entering productive and decent work.
Create more and better apprenticeships: Capitalize on strengths of *Informal apprenticeship*

<table>
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<tr>
<th>Strengths</th>
<th>Rationale</th>
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<td>Accessible to poor youth in urban and rural areas</td>
<td>• Admission not based on educational achievement.</td>
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<td>• Flexible financing arrangements.</td>
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<td>Training is cost-effective</td>
<td>• Costs shared by master craftsperson and apprentice.</td>
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<td>• Apprenticeship duration ensures cost recovery by master craftsperson.</td>
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<td></td>
<td>• Equipment and tools available.</td>
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<td>System is self-regulating and produces employable skills</td>
<td>• Set of rules embedded in social norms establish mutually-beneficial incentives – for starting and for completing apprenticeships</td>
</tr>
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<td>Training within social, business network teaches business skills</td>
<td>• As part of the master craftsperson’s business, apprentices build up client relations and business contacts.</td>
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Create more and better apprenticeships: Overcome weaknesses of *Informal Apprenticeship*

<table>
<thead>
<tr>
<th>Weaknesses</th>
<th>Interventions</th>
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<tr>
<td>Lack of access to new skills or technology</td>
<td>• Upgrade master craftspersons’ skills through business or institution partners. Create links to formal training.</td>
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<td>Perpetuates occupational segregation, restricts opportunities for girls</td>
<td>• Empower girls and boys to enter new trades.</td>
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<td>• Encourage master craftswomen and entrepreneurs to take apprentices.</td>
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<td>Recognition of acquired skills restricted to local area</td>
<td>• Expand recognition through assessment &amp; credentials by business associations or formal training centres.</td>
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<td>Risks of exploitation</td>
<td>• Train master craftspersons on safety &amp; health; help finance safety equipment.</td>
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<td>• Enforce working hours.</td>
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<td>• Pay fair wages.</td>
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<td>• Respect fair duration and ensure training so apprenticeship is not disguised child labour.</td>
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Current and future ILO work

Promote formal apprenticeship

Upgrade informal apprenticeship

Boost international coordination
Promote key success factors for quality apprenticeship

- Leadership by social partners
- Application of sector based approaches
- School and business partnerships
- Structured systems of skills tracking, testing and certification
- Reinforcing core skills while balancing specific and transferable skills
- Career guidance to expand young people’s awareness
- Incorporation of entrepreneurship within technical training
- Growth of productive, decent work and skills utilization
- Involvement by non-traditional industries and small enterprises
- Innovative and fair financing with sound accountability
Examples of ILO support for promoting formal apprenticeship

**Research:**
- “Overview of apprenticeship systems and issues”, for G20 Taskforce on employment and input into ‘Key Elements for Quality Apprenticeships’
- Lessons on expanding apprenticeship: Denmark, US, Australia, India, China, Colombia.

**Support constituents:**
- International review and national workshops in India in collaboration with World Bank
- Support setting up formal apprenticeship systems in Bangladesh, Tanzania
- Tool kit for the design and operation of formal apprenticeship systems (forthcoming)
- Apprenticeship included in G20 Pilot Countries for inter-agency support for Skills for Employment Action Plans
Examples of ILO support for promoting formal apprenticeship

Global Business Network on Apprenticeship

- In collaboration with International Organization of Employers
- Objective: increase quality apprenticeships, reduce youth unemployment & improve business productivity
- ILO completing feasibility study – MNCs’ apprenticeship programmes and interest in knowledge sharing of good practices and good policies (UK, Germany, India, Argentina, South Africa, Turkey)
Upgrade informal apprenticeships

**Research** focus on:
- Improved working conditions
- Connecting apprenticeship to workplace productivity
- involving SMES
- gender equity

**Tools**
- Resource Guide on Upgrading Informal Apprenticeship in Africa
- Guide on Skills testing for small business associations

**Knowledge sharing**
### Upgrading Informal Apprenticeship

**Technical Cooperation** examples in Africa

- **Benin:** support national crafts association in establishing skills standards
- **Egypt:** promote off-job training for informal apprentices
- **Niger:** include provisions for improving informal apprenticeship in national TVET policy
- **Tanzania:** Piloting recognition of apprenticeship learning through national TVET authority
- **Zimbabwe:** promotion of skills standards by local crafts associations
Inter-agency coordination

- Inter-agency Group on TVET – UNESCO, ETF, ILO, OECD, WB, EC
- Post-2015 Sustainable Development Goals: Include TVET in Education Goals
- Inter-agency coordination at the country level? *Requires national leadership!*
- Knowledge-sharing platform
Global Public-Private Knowledge Sharing Platform on Skills for Employment

- One-stop platform: pool knowledge products on linking skills to employment from private sector, ILO, UNESCO, OECD, World Bank
- Different knowledge products for different users
- Builds up knowledge from case studies to research to policy
- Or drill down from synthesis to sources of evidence
Global Public-Private Knowledge Sharing Platform on Skills for Employment

Operational now in test environment, :

www.skillsforemployment.org

Username: skpviewer
Password: edms1234

Translate operation into French and Spanish – July, 2013

Contributions welcome at:

knowledge@skillsforemployment.org
INFORMAL APPRENTICESHIP

THANK YOU