APPRENTICESHIP TRAINING FOR WORK IN INFORMAL SECTOR

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Informal Apprenticeship Training

Main points:

- **Skills development of crucial and growing importance for promotion of (decent) work and incomes in the informal sector**
- **Apprenticeship training is by far dominant source of technical and other skills for the IS and can be instrumental in upgrading of MSEs**
- **Skills development must be integrated with IS support such as credit, marketing, institution building, enabling policies**
- **Need for additional research & pilot initiatives**

Types of Apprenticeship Training

1. **Traditional Apprenticeship Training (TAT):**

- **Well-organized transfer of skills within family/ social group based on socio-cultural conventions**
- **Agreement between mastercraft(wo)man and parents/guardian and apprentice**
- **In additional to skills training also 'moral upbringing' expected**
- **Often no payment of training fee; MC takes care of lodging and food of apprentice**

Types of Apprenticeship Training

2. **Informal Apprenticeship Training (IAT):**

- **Similar to TAT but more 'open' – eg. majority of apprentices from outside the family**
- **Common in IS activities of recent origin: car repair, welding, hairdressing**
- **Gives more appearance of regular training courses: fixed time schedules, short training periods, payment of (regular) training fees**
- **Recently: examples of MCs who shifted focus from productive activities to training**

Types of Apprenticeship Training

3. <u>Modern Apprenticeship Training</u>:

- **Usually regulated by 'Apprenticeship Act', which stipulates length of training period, training format, number of working/training hours, payment of (part of) minimum wage**
- **In most developing countries only small number of modern apprentices – mainly in MLEs and state enterprises**
- **Not popular with employers nor apprentices (eg. in India ¼ of available place not taken up)**

Main Advantages of IAT

- **Easy training access, especially for poor**
- **Skills relevant to the real ´world of work´ (practical skills, appropriate technology level & equipment used, not only vocational skills)**
- **IAT allows for gradual building up of business network (suppliers and clients)**
- **More effective than pre-employment training (particularly for young school leavers)**
- **Entry point for skills-upgrading IS technologies**
- **Low cost and self-financing (no cost to govt.)**

Main Limitations of IAT

- Lack of training plan; passive learning
- Limited entry of new technologies
- Incomplete training content
- Differences in quality of skills acquired
- No trade testing and certification
- Sometimes long training periods and risk of exploitation of apprentices as ´cheap labour´
- No post-training follow-up or support for apprentices to start up own business

Examples of interesting projects to upgrade IAT

- GHA: vocational training support (WB)
- GHA: rural enterprise project (IFAD)
- KEN: Strengthening Informal Training and Enterprise (SITE)
- ZIM: traditional apprenticeship programme (ISTARN)

Ghana – Vocational Skills and Informal Sector Support Project (WB)

Objectives:

- **Promote demand-driven training responsive to needs of IS operators**
- **Move VTIs away from long duration, pre-employment training, and towards short, competency-based training, especially for informal sector**

Ghana – Vocational Skills and Informal Sector Support Project (WB)

Activities:

- **Selection of 4 trades on basis of surveys**
- **Participation of 39 VTIs (incl. 18 private)**
- **Training for apprentices (12 weeks)**
- **Skills upgrading for masters (4 weeks technical skills, 2 weeks business skills)**
- **Working with IS trade associations (design of training courses, selection apprentices)**

Ghana – Vocational Skills and Informal Sector Support Project (WB)

Results 1995-2000:

- VTIs, masters and apprentices enthusiastic over training received (eg. reading drawings)
- Over 10,000 apprentices trained
- Some 5,000 masters trained in technical skills, and some 3,000 in business skills
- Working with IS trade associations (design of training courses, selection apprentices, choosing tools for end-of-training tool box)

Ghana – Vocational Skills and Informal Sector Support Project (WB)

Lessons learned:

- VTIs & masters initially hesitant to participate: incentives: (i) sitting allowances, (ii) purchase of subsidized tools, (iii) 'WB' certificate
- Changes more sustainable with private VTIs
- Role associations best in design of training, but troublesome in selection of apprentices
- VSP demonstrated that short training courses can be effective in transferring marketable skills – at considerably lower costs.

Ghana: Rural Enterprise Project (IFAD)

Activities:

- **Basic skills training (for IGAs)**
- **Management training for existing MSEs followed by business counseling**
- **Skills upgrading for masters**
- **Complementary training for apprentices**
- **Technology development and transfer**
- **Occupational safety & health seminars**

Ghana: Rural Enterprise Project (IFAD)

Results 1995-2000:

- **6,800 MSEs trained in management**
- **5,300 MSEs received business counseling**
- **3,000 unemployed training in IGA skills**

***Support to apprenticeship training*:**

- **745 masters trained**
- **Over 1000 apprentices trained**
- **Skills application estimated at 70%**
- **65 technology demonstrations**

Ghana: Rural Enterprise Project (IFAD)

Limitations:

- **Lack of training facilities in rural areas: need for parallel structure?**
- **Prospective apprentices from poor families need financial support for down payment fee and tool box to be brought for training**
- **Trainees interested in certificates**
- **Need for post-training support (eg. credit)**

Kenya:Strengthening Informal Training and Enterprise (SITE)

Objectives:

- **Upgrade technical & managerial skills of master-craftsmen**
- **Upgrade their ability to train apprentices;**
- **Strengthen capacity of selected VTI's**

Kenya: Strengthening Informal Training and Enterprise (SITE)

Means:

- **Initial "market trends survey" to identify priority sub-sectors and gaps in skills**
- **20 VTI trainers from and consultants trained as resource people**

Kenya: Strengthening Informal Training and Enterprise (SITE)

Lessons:

- **possible and practical to upgrade MSEs through targeted skills development**
- **master-craftsmen need to be "hooked"**
- **need to transfer marketable skills leading to tangible gains before improved app. training**
- **training led to upgrading technologies in MSEs**
- **linkages with VTIs proved disappointing;**
- **better training option: independent trainers**
- **collaboration with IS associations important**

Zimbabwe: ISTARN Traditional Apprenticeship Programme

Characteristics:

- **Spare capacity of technical colleges used for short pre-service training for prospective apprentices**
- **Selection of 19 trades available, based on survey of skills needs & market opportunities**
- **Availability of follow-up assistance**

Results:

- **88% employment rate after training**

Zimbabwe: ISTARN Traditional Apprenticeship Programme

Lessons learned:

- **Major achievement: keeping costs down**
- **Initial incentives to masters and apprentices proved counterproductive & were withdrawn**
- **Not all masters can become good trainers – need to be selected for suitability**
- **Technical college training often inappropriate**
- **Training fees covered only small % of costs**
- **Caution needed for over-concentration in certain trades (but VTIs lack interest and capacity to do local market surveys)**

Emerging Good Practices to Improve Informal Apprenticeship Training

- **Triggers for MCs to participate in skill upgrading:**
  - **St training with early impact on business (SITE)**
  - **Pre-service training apprentices (ISTARN)**
  - **Increased awareness on need for skilled workers**
  - **Not: financial incentives (VSP)**
- **Possibilities for improving IAT training quality:**
  - **Assistance in elaboration of training plan**
  - **Enhancing teaching skills of MCs**
  - **Supplementary training of apprentices (theory, technological advancements in sector, numeracy)**

Emerging Good Practices to Improve Informal Apprenticeship Training

- **Visits by third party to monitor progress of training progress**
- **Delivery of supplementary training:**
  - **Train MCs before apprentices – never together!**
  - **Training at convenient hours (eg. weekends)**
- **Limited role for VTIs**
  - **Entails major institutional re-orientation**
  - **VTIs directed at higher level of technology (ISTARN)**
  - **Better: working with independent trainers (SITE)**

Possible involvement of IS Trade Associations

- **Promoting IAT support actions among peers**
- **Assisting in development of training content**
- **Assisting in recruitment of masters and apprentices – but must be done 'open'!**
- **Promotion of standardization of training qualification (eg. organizing trade tests)**
- **Monitoring of apprenticeship training (eg. training content, conditions, progress)**

Remaining Challenges to Improve Informal Apprenticeship Training

- **Further convincing of IS operators of need for skill-upgrading and product differentiation**
- **Enhancing quality of transferred skills while reducing duration of training (to 2-3 years)**
- **Acceleration of technological development and diversification in informal sector**
- **Scaling up of coverage of IAT upgrading efforts to reach large numbers of MCs and especially youth/ apprentice**
- **Find structural funding for interventions to upgrade IAT**

Some Suggestions for Early Actions

- **Changes in TVET policies to**
  (i) address limitations of Apprenticeship Acts and
  (ii) recognize role of IAT in providing skills to IS
- **Opening of (competency-based) trade testing and certification opportunities to informal apprentices**
- **Enhance status of IAT – also within TVET sector**
- **Link TVET for IS with other IS support**

Some Suggestions for Early Actions

- **Micro-level field research to determine**
  (i) details on training needs of IS operators and
  (ii) exact roles of NVTIs, NGOs and private trg. providers
- **Setting up of well-monitored pilot activities to develop sustainable ´models´ for supplementary training to MCs and apprentices**

Training – for whom? What kind?

There are other paths for skills development for IS operators:

- **training organized by IS associations**
- **Community-based Training (CBT) – especially relevant for survival activities**

  (eg. delivered by ´barefoot trainers´)
- **Complementary ´embedded´ training for IS conducted by private enterprises**

  (eg. training in sewing machine repair by Singer)