

# Addressing youth employment in Bangladesh: Insights on design from five programs implemented by PKSF

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Social Protection and Jobs - South Asia Region



## Acknowledgements

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## Contents

Executive Summary.....	i
Outreach and Enrollment .....	ii
Training Program .....	iii
Jobs and Income .....	i
Areas of expansion for future programs.....	iv
1. The case for understanding service delivery in labor market programs .....	1
2. Identifying the programs of interest.....	4
2.1 Five institutes selected.....	9
2.2 Female enrolment is generally low.....	10
2.3 Beneficiaries tend to be young .....	11
2.4 Beneficiaries generally come from poorer households.....	13
3. Key Findings .....	16
3.1 Outreach and enrollment.....	18
3.2 Training Program.....	23
3.3 Jobs and Income.....	26
4. Conclusions and Recommendations .....	35
4.1 Outreach well aligned to the poor but not effective for female beneficiaries.....	35
4.2 Curriculum does not adequately or efficiently meet industry needs.....	36
4.3 Package of support services needed to support transition to employment .....	36
References .....	39
Annexes.....	42
Annex 1: Skills for Employment Investment Program (SEIP) .....	42
Annex 2: Methodology.....	47
Annex 3: Beneficiary post-training income distribution .....	52
Annex 4: Questionnaires.....	53

## Executive Summary

**Bangladeshi youth, especially from low income households, are facing increasing challenges to being economically active.** 1.6 million youth (aged 15-29 years) are projected to enter the working-age every year for the next decade. This poses significant challenges for Bangladesh, as the domestic labor market struggles to generate good jobs at a pace that matches the growth of the labor supply.<sup>1</sup> The Bangladesh Jobs Diagnostic (BJD) finds that youth unemployment is on the rise and young workers are disproportionately exposed to lower-productivity and informal activities. This challenge is of greater relevance for less-educated youth, who face numerous constraints, including weak cognitive and non-cognitive abilities, insufficient work experience, limited access to seed-capital for setting up new enterprises, and poor job-matching (World Bank 2019).<sup>2</sup> For women, these constraints include care responsibilities, perceived and actual security considerations, gender-sensitive facilities at employment locations, lack of networks and social norms that discourage female economic activity outside the household.

**This report examines the key features of an existing set of active labor market programs (ALMPs) – specifically those implemented by the *Palli Karma Sahayak Foundation (PKSF)* – to inform the design of more comprehensive programs that better cater to the poor.** Despite the need for programs to address the multiplicity of constraints to youth employment, most ALMPs in Bangladesh are based on technical and vocational education and training (TVET) and tend to exclude less-educated and lower income youth (World Bank 2016, 2019). PKSF is an apex organization under the Ministry of Finance with a mandate to reduce poverty through employment generation, and PKSF’s programming thus tends to be pro-poor. This report identifies a set of ALMPs implemented by PKSF under the Skills for Employment Investment Program (SEIP) for the unemployed and examines the individual elements of the programs’ service delivery - outreach, enrollment, service provision (specifically skills training in this case), and labor market entry (Figure ES1).<sup>3</sup> Five of PKSF’s implementing partners - referred to as Training Institutes (TIs) - were selected for this analysis, and include BGS (Cox’s Bazar), ESDO (Thakurgaon), UCEP (Barisal), Udoy (Habiganj), and Wave Foundation (Chuadanga).

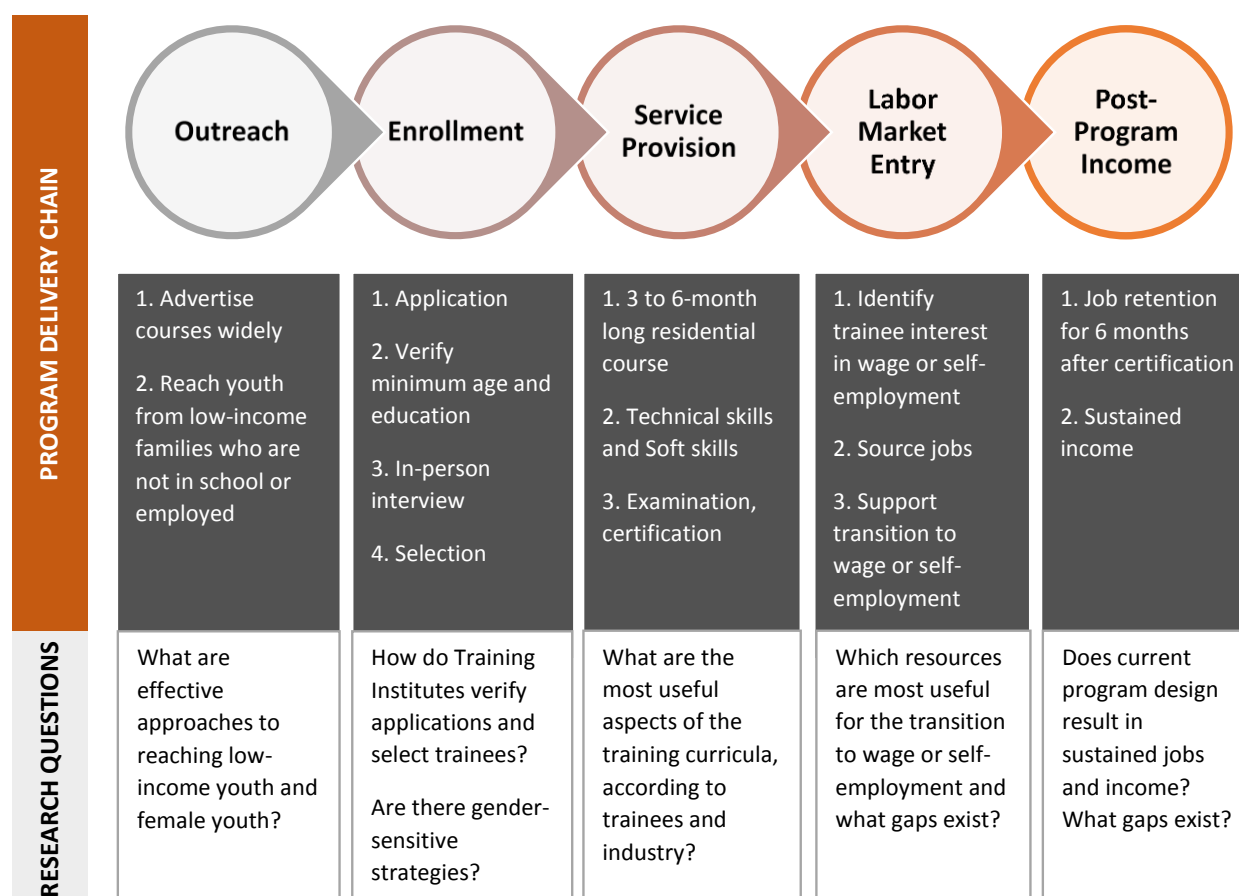
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<sup>1</sup> Estimated from the UN World Population Prospects 2017 demographic projections under the medium fertility scenario.

<sup>2</sup> Cognitive skills require conscious intellectual effort, such as thought, reasoning, or remembering. Noncognitive skills are related to motivation, integrity, and interpersonal interaction. They may also involve intellect, but more indirectly and less consciously than cognitive skills. Operationally, they are characterized as *essential human skills* by PKSF. In this report, soft skills, noncognitive skills, and essential human skills are used interchangeably.

<sup>3</sup> PKSF has been an implementing partner of SEIP since 2015. Details of the SEIP can be found in Annex 1.

Figure ES1: Processes along the program delivery chain and related research questions



Source: World Bank staff illustration

## Outreach and Enrollment

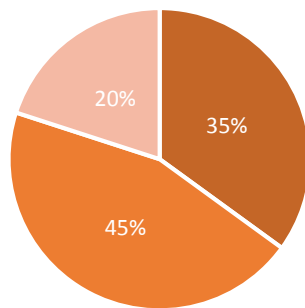
**Training Institutes (TIs) primarily leverage existing community connections to reach unemployed youth, including recommendations from past or current beneficiaries.** As PKSF member organizations, all TIs have existing microcredit programs with the communities. TIs advertise the training program during their community meetings and encourage borrowers to identify unemployed youth who would benefit from the program. All Training Institutes have successfully reached youth from low-income families through a targeted community approach. Those with the most well-targeted programs chose community meeting locations based on income levels of that community. These TIs also prioritized partnering with influential community leaders before meeting the community. Recommendations from past beneficiaries or community members are most effective in attracting new beneficiaries. Past beneficiaries' recommendations about the program and subsequent income status inspired many of the current beneficiaries to enroll. This 'network effect' also plays an important role in attracting female beneficiaries, the scale of which is limited by their relative lack of networks.

**However, the low female enrollment rate across TIs highlights the need to rethink outreach efforts for female youth.** Key barriers include safety concerns, social norms around women's mobility outside the

home, and gendered perception of trades (Figure ES2). To address these, guardians are invited to tour the residential facilities for safety assurance before enrolling their daughters. TIs also share the experience of past female beneficiaries to motivate guardians and highlight post-training income prospects. There is no separate outreach strategy for female youth aside from these outreach efforts towards family and community leaders. Given the specific barriers that female youth face, the same approach and program offering may not be as effective for them. At the same time, not all outreach teams at the TIs have female staff, who may be better able to speak to guardians’ concerns about girls’ safety. The gendered perception of trades also makes it challenging to increase female enrollment in certain trades. For example, in Training Institutes where the Fashion Garments trade is not offered, female enrollment is only five percent, on average. The low number of female beneficiaries also discourages other guardians from sending their daughters for training in these trades, even though the salary is, on average, higher.

**Figure ES2: Social norms and safety concerns are primary barriers for female participation**

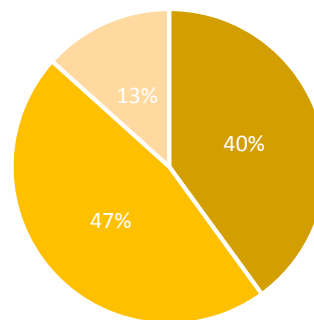
*Barriers to female participation in training programs*



■ Safety concerns ■ Social norms ■ Gendered view on trades

**Figure ES3: Industry recruiters value the soft skills that beneficiaries bring, compared to other new hires**

*Industry Perspective: Advantages of hiring from Training Institutes*



■ Basic Knowledge ■ Soft Skills ■ Fast Learner

Source: Qualitative Interviews

## Training Program

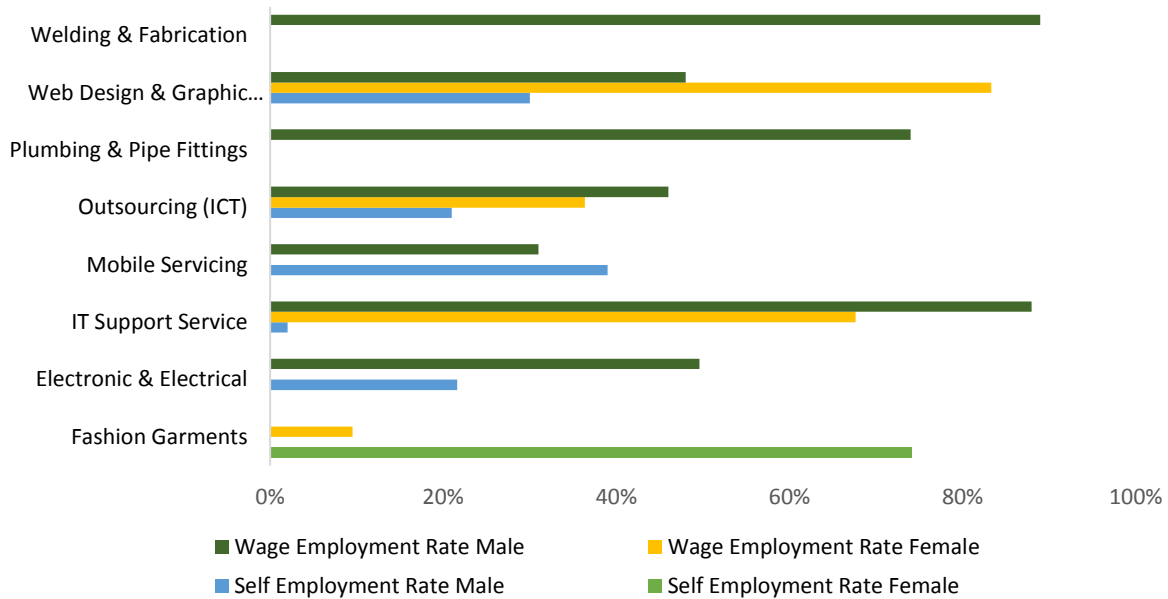
**The skills development program has both technical, and soft (non-cognitive) skills components.** The technical skills component aims to provide beneficiaries subject matter expertise through a combination of theoretical and practical knowledge on the specific trade. The soft skills component focuses on developing beneficiaries’ non-cognitive skills, e.g. teamwork, leadership, relationship management, personality factors, effective time allocation, and the ability to assimilate information. The curriculum for the technical skills component is decided through consultations with TIs and industry. Based on the feedback, PKSf decides on the core competencies required for each trade which TIs use to structure detailed course plans.

**Industry recruiters unanimously value the non-cognitive abilities that beneficiaries bring to the job (Figure ES3).** Recruiters emphasized that hires from Training Institutes stand out from fresh hires in this aspect. They are more job-ready, professional and learn work (technical skills) faster. This is supported by cross-country evidence, with the literature suggesting that non-cognitive abilities are highly predictive of labor market outcomes.

**Even though beneficiaries interested in self-employment find the core technical skills component valuable, industry recruiters often find beneficiaries' technical skills inadequate.** Recruiters value the basic literacy and sector knowledge that beneficiaries bring. This includes knowledge on safety regulations in the factory, names of machines, parts and tools, and beneficiaries' ability to read and follow instructions. However, many also highlight the short duration of the training (3-6 months) as insufficient for comprehensive technical training in the sector. Industries provide in-house training to all new hires and they find this training most useful since it is most tailored to their needs. However, re-training can be a demotivating process for beneficiaries who have already spent months in training at the TIs. Curriculum updates are not keeping pace with technological advances in industry, which is a key challenge for the industry relevance of the training. As a result, beneficiaries remain unfamiliar with the equipment used in factories and require additional training on the job. Technical skills requirements also shift within industries, and recruiters find beneficiaries' foundational skills, adaptability, and ability to learn on the job more valuable than industry specific technical skills.

## Jobs and Income

**Beneficiaries identified a range of constraints to accessing good jobs that they hoped the ALMP would help address.** The four main constraints identified are limited personal finances, lack of connections/network, low educational qualifications, and family and social norms. The fourth barrier was primarily emphasized by female beneficiaries. For most beneficiaries, accessing jobs was the primary motivation behind joining the TI. For female trainees, the gendered preference of trades (high concentration of women in Fashion Garments) means that wage employment opportunities do not always exist close to home. This results in self-employment being the primary choice for female beneficiaries who want to pursue an income. Beneficiaries interested in starting a business faced two key barriers- lack of skills, and a lack of start-up capital. For these beneficiaries, skills development was the core motivation behind joining the training program and they saw it as a first step towards starting and growing their business.

**Figure ES4: Employment rates are high on average, but vary across trades***Employment Rate, by Trade and Gender*

Source: PKSF Administrative Data

**More than three-quarters of beneficiaries are employed (wage or self-employment) within three months of completing the program, although there is variation by gender and trade.** On average, 78 percent of all beneficiaries are employed (either in wage or self-employment) three months after completion of the program. This is well over the 60 percent target set by PKSF to the Training Institutes. Female beneficiaries have a higher employment rate at 81 percent compared to male beneficiaries at 76 percent. However, certain trades have a lower employment rate than others, driven primarily by the lack of large industry recruiters. The preference for wage or self-employment varies significantly by trade and gender. 79 percent of female beneficiaries currently employed are self-employed. The trend is reversed for male beneficiaries where only 28 percent of employed male beneficiaries are self-employed. Female beneficiaries of Fashion Garments overwhelmingly prefer starting their own business to taking wage employment. Beneficiaries highlighted two key reasons for this preference- the first is the perceived poor quality of jobs available in the garments industry and the second is a strong preference to work from home. Female beneficiaries prioritize the ability to balance their responsibilities at home with work aspirations, which lead most to choose self-employment even though the monthly income, on average, is lower.

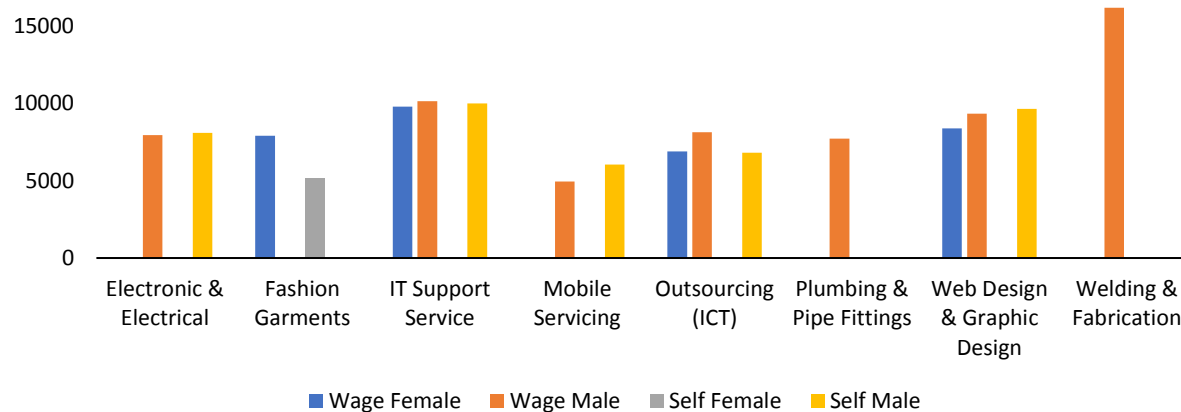
**Beneficiaries' average monthly income varies substantially by trade and gender, with the highest paid trades appearing to be male-dominated. (Figure ES5).** The highest salaries were earned by beneficiaries of Welding & Fabrication, followed by IT Support Service. Salary differences between male and female beneficiaries are also significant, with females earning a lower salary for the same trade compared to men. Female beneficiaries of Outsourcing (ICT) and Web & Graphic Design in wage employment earn 15 percent and 10 percent less than their male counterparts respectively. Although some female beneficiaries have participated in high salary trades, most are concentrated in trades with



relatively lower salaries, like Fashion Garments. Only nine percent of female beneficiaries opted for IT Support Services (second highest monthly salary) while 86 percent chose Fashion Garments. As a result, women are disproportionately affected by the trade-specific salary differences.

**Figure ES5: Post-program income varies by trade, and suggests persistent gender gap**

Average monthly wage, by trade and gender (BDT)



Source: PKSF Administrative Data

**The implementing partners provide a range of support services for intermediation.** All TIs have a dedicated Job Placement Officer (JPO) whose main objective is to source work opportunities and connect beneficiaries to wage or self-employment at the end of the training program. JPOs also work with beneficiaries to facilitate their transition from training to employment. Before beneficiaries relocate for work, some TIs hold a pre-employment guardian meeting to ensure that families understand the employment process and are on board. Homesickness causes many beneficiaries to dropout and TIs urge guardians to encourage beneficiaries to stay in the job. Many TIs also support beneficiaries who are relocating for work by helping with logistics.

**There is wide variation in TI support for self-employment.** Some have created structured entrepreneurship modules where beneficiaries learn how to start and run a business. Most TIs, however, provide unstructured counselling sessions about the process of setting up a business. In addition to general guidance, some TIs also offer micro loans which their beneficiaries can use to grow their business. The loan comes with concessional terms- it is at a lower interest rate than a traditional microfinance loan and the repayment period is longer. TIs also arrange industry visits and two-week internships for all beneficiaries where they work with a local employer (usually a master craftsman). The objective of this internship is to give work exposure to all beneficiaries, particularly those interested in self-employment.

**Despite the intermediation services provided by the TI, there is scope for the program to provide new and additional services to those seeking wage-employment.** Beneficiaries value on the job training but highlight that the two-week internship is too short. According to beneficiaries, longer internships or on the job training would help them learn the work more extensively. Due to the changing needs of industry, there is often a mismatch between trades and the jobs available. The biggest labor demand

from industry are for factory roles that do not have specific technical skills requirements. Beneficiaries from numerous trades are sent to fill these roles, which creates a mismatch in expectations and technical skills. A greater emphasis on foundational skills instead of narrower technical skills could enable beneficiaries to learn how to adapt to the workplace and train on the job. On employment opportunities abroad, at present, TIs do not provide any guidance or support to beneficiaries interested in international migration, even though there is substantial interest from beneficiaries. Those who pursue employment abroad go through their own networks, which can be a costly process.

**Beneficiaries interested in self-employment seek more support for seed capital and mentorship to run and grow the business.** At present, beneficiaries primarily use their parents' or relatives' savings to start their business. Those who cannot access funds join wage employment to gather the initial funds. Even though loans are offered through microfinance organizations, these loans are not accessible to beneficiaries as startup capital, which is a major limitation. Mentoring has been found to be beneficial for youth entrepreneurship and can influence the entrepreneurial intentions of young people through socio-emotional development, cognitive development, and identity development ((Shittu 2017, Rhodes and DuBois 2008). It could be especially important for female beneficiaries who lack networks and need guidance to cross sectors or grow their business.

#### Areas of expansion for future programs

**Beneficiaries need a package of support services to improve post-program outcomes, including placement, based on the major constraints they face.** The broad evidence base for Bangladesh suggests that different segments of the youth labor force face different challenges and thus need different interventions (Table ES1). PKSF's current programs are already addressing some of these constraints, but there are specific areas where the programs can expand the packages of services for the ALMPs to have greater impacts.

**Program outreach is well aligned to the poor but not effective for female beneficiaries.** Youth from low income families have relatively low educational qualifications in Bangladesh, and PKSF's eligibility criteria make their programs more accessible to poorer households. Most beneficiaries come from the same district as the TI or from neighboring districts and primarily belong to low-income families (40<sup>th</sup> income percentile in Bangladesh). Indeed, the average beneficiary family income is significantly lower than the district and division average for all Training Institutes, which reinforces the program's success in pro-poor targeting. However, current outreach methods, although pro-poor, are not effective for attracting female beneficiaries who face unique barriers to participation. Female beneficiaries could benefit from more targeted outreach, and also from inclusion of more female-friendly trades.

**Table ES1: Framework to link LF segment, constraints and possible interventions**

<i>Constraint</i>	<i>Possible beneficiary group</i>			<i>Possible intervention</i>
	<i>All youth</i>	<i>+ low-educational attainment</i>	<i>+ female</i>	
Low non-cognitive ability	✓	✓	✓	Counseling, mentorship
Insufficient basic cognitive skills	✓	✓	✓	Second chance education; remedial education
Inefficient job-matching	✓	✓	✓	Better placement services; innovative use of ICT solutions;
Lack of entrepreneurial ability/knowledge	✓	✓	✓	Business management training; mentorship
Access to capital	✓	✓	✓	Micro-finance; cash grants for seed capital
Low productivity		✓	✓	On-the-job learning; informal apprenticeships
Social norms			✓	Community outreach, mentorship, self-efficacy
Care responsibilities			✓	Access to childcare
Security			✓	Safe transportation/housing

Source: World Bank 2019

**There are mismatches between program curricula and industry needs for technical and non-cognitive skills.** Labor market programs need to rebalance the emphasis between technical and soft skills development. Industry recruiters have varying levels of skills requirements when hiring, and not all are based on technical skills. At the same time, recruiters value the soft skills that beneficiaries bring and highlight that soft skills make beneficiaries more job-ready. In this context, the curriculum's emphasis on technical skills over soft skills for all industries, irrespective of needs, does not appear to be optimal. Training-focused labor market programs can have significant impact on employment when combined with on-the-job training in industry (Shonchoy, Fujii and Raihan, 2018). The PKSf SEIP program includes 2 weeks of internship at the end of training which the beneficiaries highlighted as important but inadequate exposure to industry. Addressing these challenges would require the development and systematic roll-out of non-cognitive support modules, redesigning technical training to be more market responsive, and better complementing classroom learning with on-the-job training.

**Existing support for beneficiaries interested in self-employment is unstructured and varies greatly between Training Institutes.** Some TIs currently provide informal counselling sessions on setting up a business. While beneficiaries find this support useful, they highlight three shortcomings in the support for self-employment: access to seed capital, either in the form of grants or concessional loans with a grace period for repayments; ongoing mentorship, either directly from the TI or from past beneficiaries who have successfully started a business; and non-cognitive entrepreneurship training.

<b>BENEFICIARY PROFILE</b>	<ul style="list-style-type: none"> <li>• The majority of beneficiaries are youth (aged 15-29 years) who have completed up to Primary School.</li> <li>• A small portion of beneficiaries, primarily female, do not meet the minimum education criteria for enrollment.</li> <li>• Female participation is very low across Training Institutes and concentrated in one trade (Fashion Garments).</li> <li>• Training Institutes have successfully targeted youth from low-income families.</li> </ul>
<b>OUTREACH AND ENROLLMENT</b>	<p><b>Process Overview:</b></p> <ul style="list-style-type: none"> <li>• TIs primarily leverage existing community connections to reach unemployed youth.</li> <li>• For female youth, key barriers that limit participation in the training programs are (1) Safety concerns; (2) Social norms around women’s mobility outside the home; and (3) Gendered perception of trades.</li> </ul> <p><b>Successes:</b></p> <ul style="list-style-type: none"> <li>• Word of mouth and recommendations from past beneficiaries are most effective in attracting new beneficiaries, particularly female youth.</li> <li>• To target youth from low-income families, TIs partnered with influential community leaders and chose meeting locations in low-income communities.</li> </ul> <p><b>Challenges:</b></p> <ul style="list-style-type: none"> <li>• Outreach efforts are not effective for female youth. Some TIs have no female staff in their outreach team and the gendered perception of trades also makes it challenging to increase female enrollment in certain trades.</li> </ul>
<b>TRAINING PROGRAM</b>	<p><b>Training Components</b></p> <ul style="list-style-type: none"> <li>• The skills development program at each TI has two broad components- (1) technical skills and (2) soft skills. The first follows a formal curriculum while the second is more unstructured.</li> </ul> <p><b>Successes:</b></p> <ul style="list-style-type: none"> <li>• Industry recruiters unanimously value the soft skills (non-cognitive abilities) that beneficiaries bring to the job.</li> <li>• Within technical skills, recruiters value the basic sector knowledge (safety regulations, ability to read and follow instructions) that beneficiaries bring, compared to fresh hires.</li> <li>• Beneficiaries interested in self-employment find the core technical skills component most valuable in starting a business.</li> </ul> <p><b>Challenges:</b></p> <ul style="list-style-type: none"> <li>• Industry recruiters find beneficiaries’ technical skills inadequate for the job. Many highlight the short duration of the training (3-6 months) as insufficient for comprehensive technical training in the sector.</li> <li>• Industries prefer role specific in-house training provided to all new hires.</li> <li>• Technical skills requirements vary by industry and role.</li> <li>• Curriculum updates are not keeping pace with technological advances in industry, which is a key challenge for the industry relevance of the training.</li> </ul>

**JOBS AND INCOME*****Pre-training Barriers to Employment:***

- Beneficiaries faced four key constraints in accessing the job market before training- (1) financial; (2) lack of connections/network; (3) low educational qualifications; and (4) family and social norms.
- Beneficiaries interested in starting a business faced two key barriers- (1) Lack of skills; and (2) Lack of seed capital.

***Post-Training Employment and Income Trends:***

- On average, 78 percent of all beneficiaries are employed (either in wage or self-employment) three months after the training. Employment rates vary by trade, and female beneficiaries have a higher employment rate than male beneficiaries.
- Preference for wage or self-employment varies significantly by trade and gender. Most women prefer self-employment whereas most men prefer wage employment.
- Beneficiaries' average monthly income varies substantially by trade. Welding & Fabrication has the highest salaried jobs and Mobile Servicing has the lowest.
- Overall income trends indicate that the highest paid trades are male dominated. As a result, women are disproportionately affected by the trade specific salary differences.

***Support Services: Current Provisions***

- TI support services for wage employment include unstructured counselling sessions on job expectations, factory environment, labor laws and work etiquette.
- There is wide variation in TI support services for self-employment, ranging from structured entrepreneurship modules to unstructured counselling sessions about the process of setting up a business.
- Some TIs also offer micro loans for beneficiaries to grow their business, but not as seed capital.

***Support Services: Gaps and Challenges***

- Beneficiaries value the industry exposure that the 2-week internship at the end of the training provides, but think it is too short.
- Due to the changing needs of industry, there is often a mismatch between trades offered and jobs available.
- At present, TIs do not provide any guidance or support to beneficiaries interested in international migration, even though there is substantial interest from beneficiaries.
- Beneficiaries interested in self-employment outline two key gaps where the TI could provide more support- (1) Seed capital to get started, (2) Mentorship and guidance to run and grow the business.

**CONCLUSIONS**

- Program outreach is well aligned to the poor but not effective for female beneficiaries.
- The training curriculum does not adequately or efficiently meet industry needs.
- Beneficiaries transitioning to employment need a package of support services to facilitate the process.

**RECOMMENDATIONS**

- Develop outreach strategy specifically for female youth which addresses their unique barriers.
- In addition to current offering, add trades which are perceived to be female-friendly.
- Create a structured non-cognitive skills training module with assessment criteria.
- Redesign curriculum to be more holistic and responsive to market needs.
- Strengthen on-the-job learning through internships or apprenticeship programs.
- Design a package of support services to connect different segments of youth to wage or self-employment in the domestic or international market.

## 1. The case for understanding service delivery in labor market programs

**Bangladeshi youth are facing increasing challenges to being economically active.** As the country undergoes demographic transition, the working-age population share is expected to rise from its already high 67 percent to almost 70 percent by 2028. Currently, youth (aged 15-29 years) account for 27 percent of the total population, or almost half of the working-age population. The Bangladesh Jobs Diagnostic (BJD) finds that while unemployment among youth has been traditionally higher than for the rest of the workforce, the gap appears to have been increasing rapidly in recent years, especially for more educated youth (Farole and Cho, 2017). Evidence from the BJD also suggests that young workers in Bangladesh are disproportionately exposed in lower-productivity activities – a challenge that is of greater relevance for less-educated youth, who also tend to be poor. With 1.6 million youth entering the working-age every year for the next decade, this poses significant challenges for Bangladesh, as the domestic labor market struggles to generate good jobs at a sufficient pace.<sup>4</sup>

**Young workers in Bangladesh are disproportionately exposed to the challenges of being involved in low-productivity – and predominantly informal – employment (Farole and Cho 2017, World Bank 2019).** Wage-employment is very important for the youth labor force, with 17 percent of youth in formal wage-employment and another 44 percent in informal wage-employment. In contrast, only 12 percent of the older adults are in formal wage-employment, with another 23 percent working as informal wage-employees. There are large wage gaps between formally and informally employed wage-earning youth, with much of these differences driven by education and sector premia. Regardless of firm size, the average monthly wages of informally wage-employed youth are Tk. 2223-4734 lower than that of formally wage-employed youth, equivalent to a difference of 18-34 percent. When looking at the average monthly wages of youth across sectors, wages in the services sector are consistently higher than that of wages in agriculture and industry. With wages taken as a proxy for productivity, this indicates much lower productivity of youth employed in informal sector, especially in agriculture and industry.

**The Government of Bangladesh (GoB) could consider active labor market programs (ALMPs) to address the wide array of constraints to greater productivity growth that youth may face (Farole and Cho 2017).** These constraints include weak cognitive skills (usually developed during basic education) and non-cognitive abilities, insufficient work experience (critical for the school-to-work transition), limited access to seed-capital for setting up new enterprises, and poor job-matching (World Bank 2019).<sup>5</sup> For women, these constraints include care responsibilities, perceived and actual security considerations, gender-sensitive facilities at employment locations, lack of networks and social norms that discourage female economic activity outside the household.

**Despite the need for ALMPs that address the broader constraints to more and better youth employment, public-sector supported ALMPs have tended to be mostly in the area of technical and**

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<sup>4</sup> Estimated from the UN World Population Prospects 2017 demographic projections under the medium fertility scenario.

<sup>5</sup> Cognitive skills require conscious intellectual effort, such as thought, reasoning, or remembering. Noncognitive skills are related to motivation, integrity, and interpersonal interaction. They may also involve intellect, but more indirectly and less consciously than cognitive skills.

**vocational education and training (TVET) (World Bank 2016, 2019).** This emphasis largely reflects the operationalization of the National Skills Development Policy (NSDP) 2011, which emphasizes the need for a skilled workforce to tackle industry demand. Its key mandate is to better match the Technical and Vocational Education and Training (TVET) programs with industry demand and reform TVET management, certification and monitoring. More specifically, the most ubiquitous ALMPs that are considered by policy-makers to enhance productivity and improve employability are short-term technical and vocational training courses. These programs - ideally certified by the Bangladesh Technical Education Board (BTEB) - exist as complements to the long and medium-term programs (i.e. programs that are longer than a year) provided by either the Department of Technical Education (DTE) or the Bureau of Manpower, Employment and Training (BMET). According to BTEB there are 57 different trades/technologies offered through the short-term programs (World Bank 2015). There are also non-formal short-term training programs that are administered by both private and public institutions, but which are not under BTEB oversight.<sup>6</sup>

**Many short-term technical and vocational training courses – the most common type of ALMPs in Bangladesh – generally tend to be unsuitable instruments for the substantial shares of youth with low educational attainment (World Bank 2019).** Informally wage-employed youth only have 6.3 years of education on average while formal wage-employed youth have 9.5 years of education on average. About a quarter of informally employed youth and nine percent of formally employed youth have not even completed primary schooling. However, formally administered short-term vocational training courses have minimum requirements that most youth cannot meet. For example, the minimum requirement for enrollment in short-term vocational courses supported by the World Bank’s Skills and Training Enhancement Project (STEP) is completion of Grade 8 or holding a Junior Secondary School certification (World Bank 2015). Programs under other large skills development initiatives have similar requirements.

**There is wide variation in the performance of the various programs, and this report seeks to understand the key features of a set of well-regarded ALMPs to inform the design of newer, more comprehensive, future programs that better cater to the poor.** The service delivery for these labor market programs can be considered in terms of the system’s individual phases – outreach, enrollment, service provision (specifically technical training in this case), and job placement (Figure 1). This report identifies a major set of ALMPs implemented by the *Palli Karma Sahayak Foundation* (PKSF) under the umbrella of the Skilled Employment Investment Program (SEIP), and examines each of these elements of service delivery, along with the post-program outcomes (incomes) of the beneficiaries.<sup>7</sup> PKSF, under the

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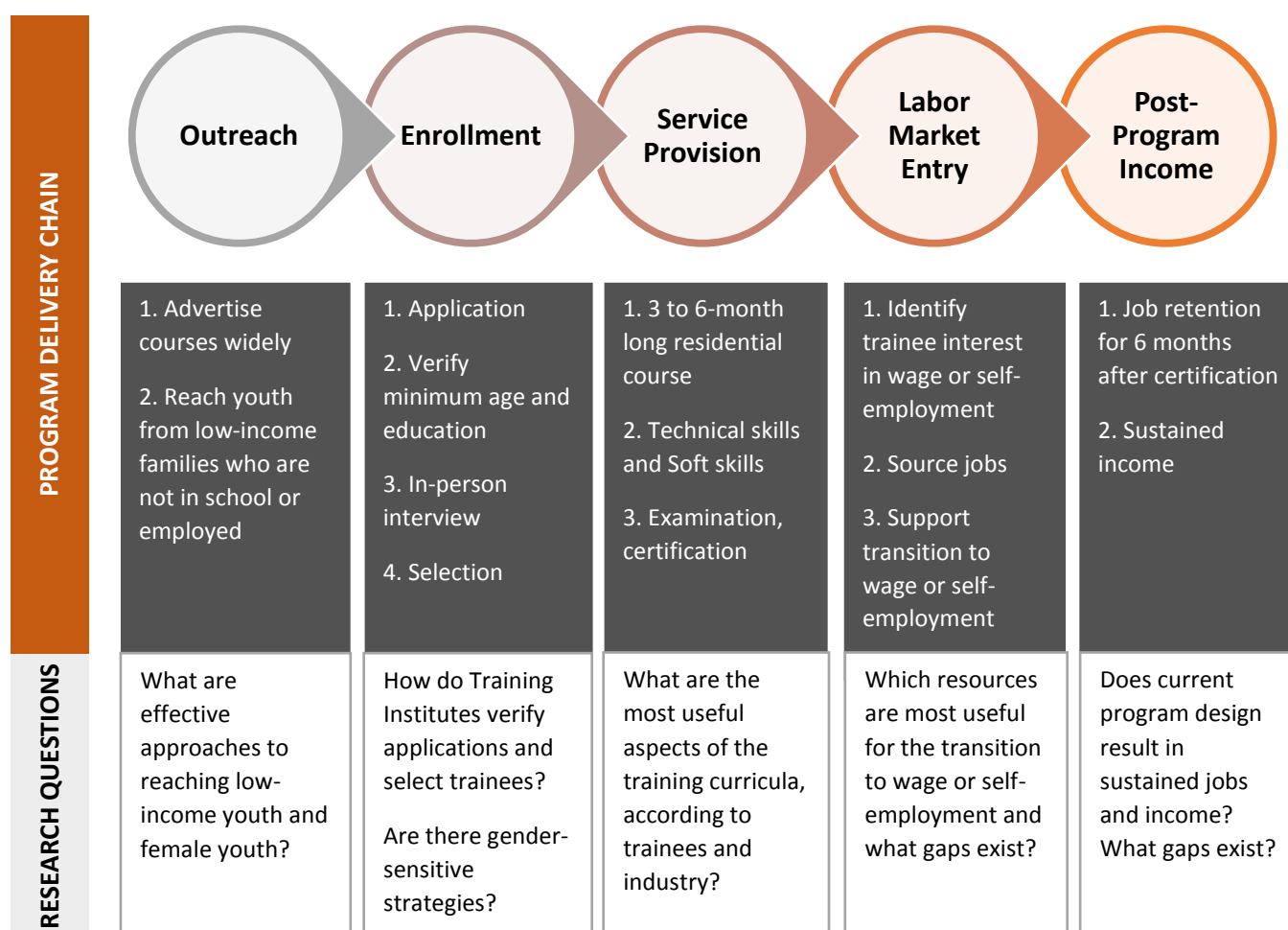
<sup>6</sup> In the context of skills development in Bangladesh, “formal” skills development programs are those that are under BTEB oversight, while “nonformal” programs are those that are out. However, “nonformal” programs are still formally delivered in the sense that they could be administered by large government or non-government systems. This would be in contrast to a system – such as the master-apprentice based apprenticeship programs in many parts of South Asia and Sub-Saharan Africa – where the service delivery system is explicitly informal, i.e. there are no institutions involved in the various stages of the process.

<sup>7</sup> Following the National Skills Development Policy 2011, 22 ministries and divisions of GoB are currently implementing training program initiatives to tackle immediate skills-gap issues. SEIP, funded by several entities including the Asian Development Bank (ADB) and Swiss Development Corporation (SDC), is one such initiative, administered by the Ministry of Finance. PKSF has been an implementing partner of SEIP since 2015. Further details of SEIP can be found in Annex 1.



Financial Institutions Division of the Ministry of Finance, is a semi-autonomous apex organization with the mandate to reduce poverty through employment generation. It primarily provides financial and technical assistance to the poor through its Partner Organizations- a group of grassroots microcredit NGOs, voluntary agencies and societies selected through a rigorous screening process. Project service delivery is carried out by the Partner Organizations directly, with financing and supervision provided by PKSf. As of June 2018, PKSf had 277 Partner Organizations providing various services to 13.24 million members of whom 91.07% are women. The number of microfinance borrowers under PKSf’s various programs is 10.38 million, of whom 92.01% are women (PKSf Annual Report 2018). The poverty-targeting of PKSf’s programming, specifically those under the SEIP, suggest that analysis of ALMPs that PKSf supports may be most useful for understanding the design of poverty-targeted ALMPs.

**Figure 1: Processes along the program delivery chain and related research questions**



Source: World Bank staff illustration

**The report applies a mixed-methods approach to answer the research questions.**<sup>8</sup> First, five branches of PKSf’s implementation partners (Training Institutes) are sampled for the process evaluation. Next, beneficiary-level administrative data is used to create profiles and performance indicators for the sampled Training Institutes (TIs). Finally, qualitative interviews, triangulated with quantitative data, are used to contextualize the outcomes for each TI along the five elements of the training process of Figure 1. Each segment of the program delivery chain is thus analyzed to address two questions. First, what aspects of program design are effective in connecting youth from low-income households to sustainable wage or self-employment? Second, what gaps persist and how can program design be improved to incorporate this?

**With these questions in mind, the report follows a basic three-section structure.** Section 2 describes the key features of PKSf’s ALMPs that are identified for the process evaluation. Section 3 describes the main findings of the analysis, while Section 4 concludes with some recommendations for improvements in design of existing and future programs.

## 2. Identifying the programs of interest

**PKSf provides technical training focused ALMPs under the SEIP which applies a common vision across all 20 implementing partners (including PKSf), but with some scope to adjust design.** For example, trade offerings are specialized, with industry associations such as Bangladesh Garment Manufacturers’ and Exporters’ Association (BGMEA), Bangladesh Association of Software and Information Services (BASIS) and Shipbuilders’ Association focusing on their own trade. Some of the industry associations are directly providing training through their own in-house training institutes while other implementing partners use their own networks and partner institutions, such as PKSf and its Training Institute (TI) partners. Box 1 outlines some of the organizational features of SEIP under PKSf.

**PKSf’s eligibility requirements for enrollment in the SEIP-supported ALMPs generally favor members of less-educated (and likely poorer) households.** Under SEIP, applicants need to meet the minimum age and education criteria, as determined by the implementing organization, to be eligible for enrollment. The age and education cutoffs vary across implementing organizations. PKSf’s minimum requirements are relatively low, with most courses requiring, at minimum, Grade 5 completion and technology related courses requiring Grade 10 completion (PKSf n.d.). Although there is no income limit for enrollment under SEIP, PKSf’s partner organizations prioritize youth from lower income backgrounds, due to PKSf’s overarching pro-poor mandate. PKSf’s lower minimum education requirement also keeps the program accessible to youth from lower income families, who on average, have lower educational qualifications. According to the Household Income and Expenditure Survey 2016, most youth in the bottom 20<sup>th</sup> income percentile households have completed between Grades 5-10.

**Due to PKSf’s own pro-poor mandate, the emphasis of SEIP-supported programs implemented by PKSf has been on youth from low income families.** Under the first phase of the program, PKSf selected

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<sup>8</sup> Annex 2 describes the methodology in greater detail.

21 Training Institutes among their partner organizations to provide skills training on 13 different trades.<sup>9</sup> In the first phase of the SEIP program (till December 2017), PKSf's target was to a) train 10,000 youth, and b) ensure gainful wage or self-employment for at least 60 percent of beneficiaries. At the end of the program's first phase, PKSf met 85 percent of its enrollment target and 61 percent of enrolled beneficiaries were gainfully employed. Among employed beneficiaries, 64 percent were wage employed and 36 percent were self-employed. Two percent of employed beneficiaries have migrated

### **Box. 1 Organizational features of SEIP under PKSf**

Training length: 3-6 months

Accommodation type: Residential

Total cost: Average cost per beneficiary (all inclusive) is Tk. 38,560 for a 3-month course and Tk. 62,700 for a 6-month course. The beneficiaries bear a minor portion of this- Tk. 2100 and Tk. 4200 per beneficiary for 3- and 6-month courses respectively. The remainder cost is borne by the program. In addition, PKSf waives the beneficiary borne cost for those who are extremely poor.

Selection of beneficiaries: After beneficiaries submit an initial application, Training Institutes screen applicants based on PKSf's minimum criteria, prioritizing minorities, females and youth from low income backgrounds. After the initial screening, shortlisted candidates are interviewed to check for interest and commitment to the training. The selection process is directly supervised by the Project Management Unit (PMU) of PKSf and implemented by the Training Institutes.

Selection of trainers: PKSf requires at least two qualified and practically experienced trainers for each group of 25 beneficiaries. The lead trainer must have at least a Diploma with five years of industry/teaching experience. Master craftsmen with at least 10 years of experience industry also qualify. New trainer positions are competitively filled. Positions are advertised, applicants who meet minimum qualifications are interviewed and those with the most relevant experience are selected. Trainer recruitment is also managed by the Training Institutes, under the supervision of PKSf.

Quality assurance: PKSf engages industry and Bangladesh Technical Association Board (BTEB) assessors to conduct beneficiary performance assessment, which forms the basis for beneficiary certification. PKSf conducts unannounced visits to TIs to check the quality of implementation. PKSf formally assesses TI performance along with the Skills Development Coordination and Monitoring Unit (SDCMU) on key metrics such as job placement rate, percentage of female trainees, total number of trainees, etc.

Source: Qualitative interviews and PKSf administrative data

<sup>9</sup> The trades are Fashion Garments, IT Support Service, Mobile Servicing, Electronic and Electrical, Automobile Mechanics, Plumbing and Pipe Fittings, Welding and Fabrication, Rod Binding and Steel Fixture, Small Engineering and Metal Working, Outsourcing (ICT), Web Design and Graphic Design, Leather Making and Leather Goods, Mechanical Agricultural Farming.

internationally for work. 15 percent of the beneficiary pool was female with a higher employment rate of 69 percent post-training.

**For this study, PKSF selected five of their highest performing Training Institutes out of 21 partner organizations (Table 1).** This selection was on the basis of high performance along the program objectives, as determined by PKSF. The selected Training Institutes had the lowest female beneficiary dropout rate and the highest job placement rates among all implementing partners, which PKSF attributes to past experience in running similar programs, management earnestness and a strong monitoring system.

**Table 1: Training Institute Branches**

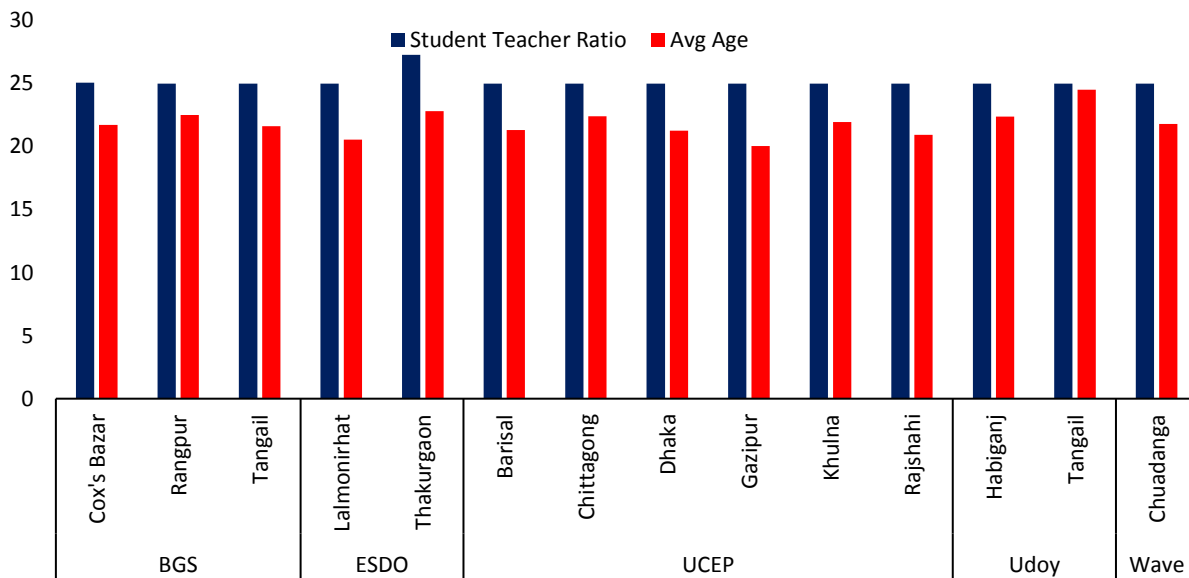
	<b>Training Institute</b>	<b>Branches (District)</b>
<b>1</b>	UCEP	Barisal, Chittagong, Dhaka, Gazipur, Khulna, Rajshahi
<b>2</b>	Wave Foundation	Chuadanga
<b>3</b>	Eco Social Development Organization (ESDO)	Lalmonirhat, Thakurgaon
<b>4</b>	Udoy	Habiganj, Tangail
<b>5</b>	Bangla German Samprity (BGS)	Cox's Bazar, Rangpur, Tangail

**In the second stage of sampling, administrative data for the five Training Institutes was analyzed to select a diverse set of TI branches for data collection.** Each Training Institute had operations in one or more branches across the country (Table 1). To narrow down the sample, administrative data provided by PKSF on the selected Training Institutes was used to select the specific branch where qualitative interviews would be conducted. The selection criteria focused on ensuring a diverse set of TI profiles, based on indicators like the student-teacher ratio, average age of beneficiary, average monthly income of beneficiary post-training, average monthly income of beneficiary household (Figure 2A-D).

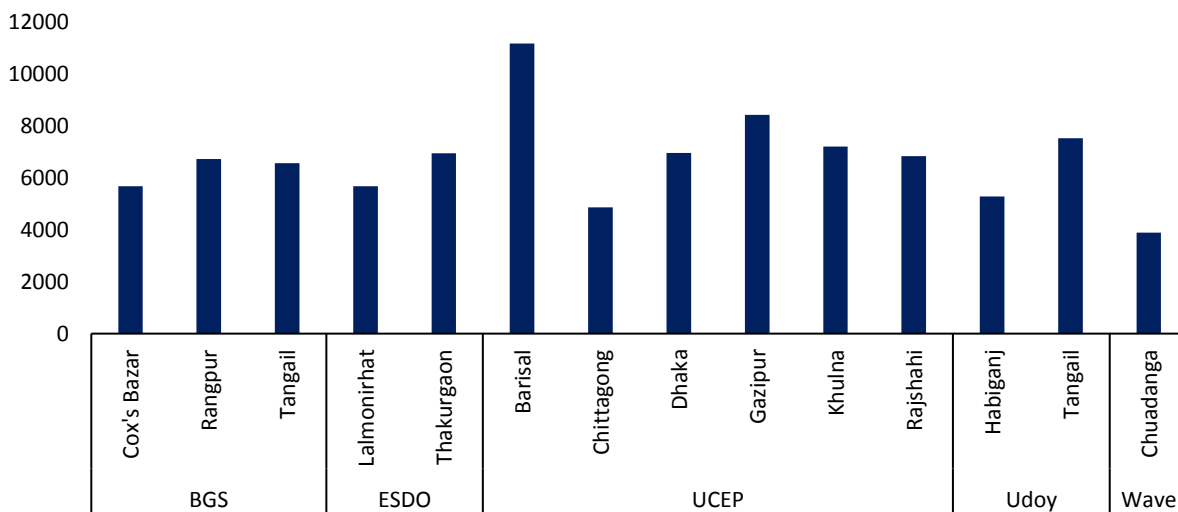
**Figure 2: Selected Training Institutes’ beneficiaries are generally young and from relatively poor households**

Training institute profile, by district branch

A. Trainer-Beneficiary ratio by Training Institute and District Branch (percent, years)

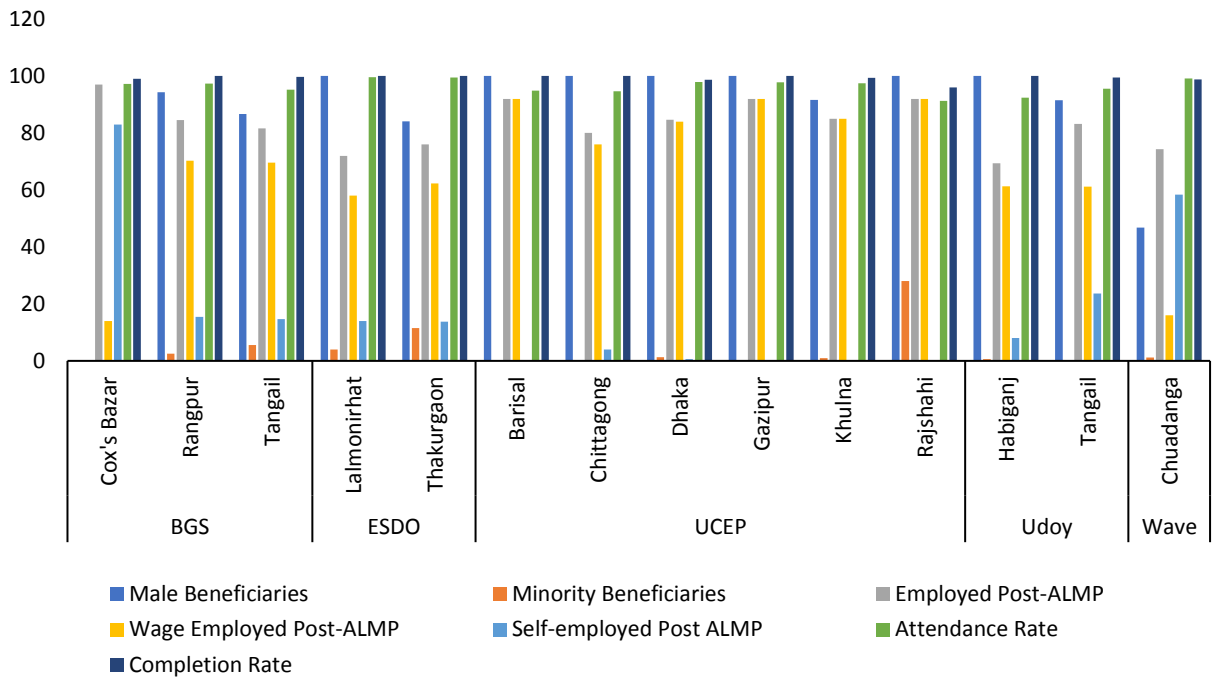


B. Average monthly income of beneficiary post-ALMP (BDT)<sup>10</sup>

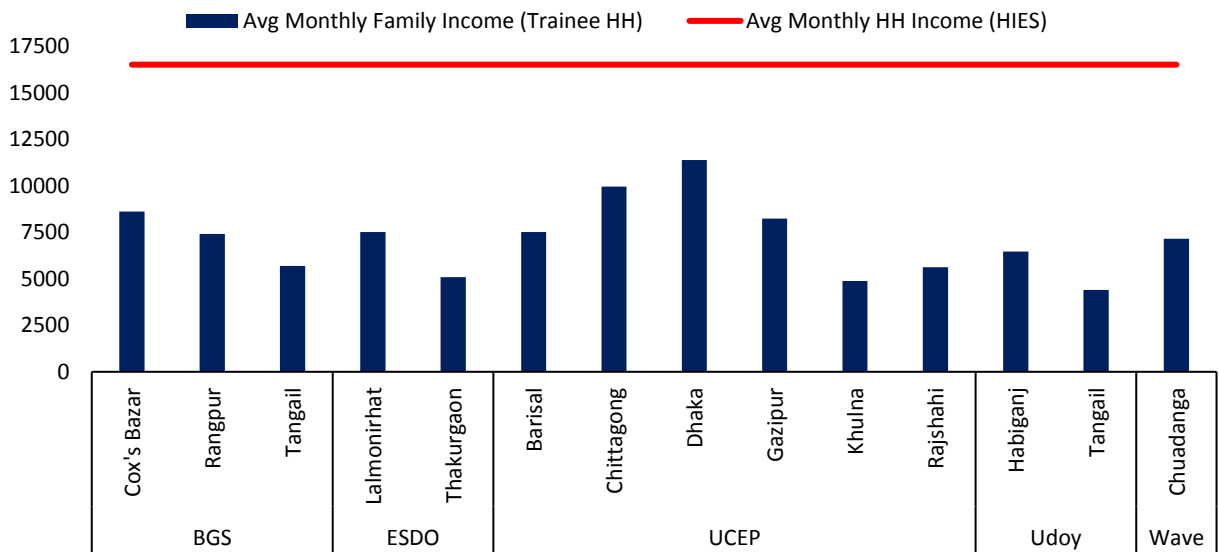


<sup>10</sup> This is only the beneficiary’s monthly income and does not include household or family income.

C. Demographic distributions of beneficiaries and ALMP instructores, and administrative metrics (percent)



D. Average monthly income of beneficiary households, relative to national average (BDT)<sup>11</sup>



Source: PKSF Administrative Data and HIES 2016/17

<sup>11</sup> Household level income includes the beneficiary's income, if any, prior to the ALMP.

## 2.1 Five institutes selected

**Primarily, differences in beneficiary backgrounds and post training outcomes were considered to select the branch for each TI, to allow for a diversity of responses in the qualitative analysis.** These TIs had the lowest female beneficiary dropout rate and the highest job placement rate among all implementing partners:<sup>12</sup>

- **BGS (Selected branch- Cox’s Bazar):** Although the three branches were similar across multiple indicators, the Cox’s Bazar branch had the highest self-employment rate (83 percent) compared to Rangpur and Tangail (15 percent each). It also included an all-female beneficiary cohort and had the highest overall employment rate (97 percent) among the three branches.
- **ESDO (Selected branch- Thakurgaon):** Among the two ESDO branches, Thakurgaon had a higher percentage of minority students (12 percent) compared to Lalmonirhat (4 percent). Thakurgaon also had female beneficiaries whereas Lalmonirhat had none. In addition, the average monthly income of beneficiary graduates from Thakurgaon was higher compared to Lalmonirhat.
- **UCEP (Selected branch- Barisal):** Among the five TIs, UCEP had the highest number of branches implementing SEIP - six throughout the country. The average monthly income of graduates from the Barisal branch was substantially higher than those from other branches (Tk. 11000 per month). The employment rate in Barisal was also very high (92 percent), with all graduates opting for wage employment.
- **Udoy (Selected branch- Habiganj):** Students from the Habiganj branch had the lowest employment rate among all TI branches (69 percent), and a lower average monthly income (Tk 5000 per month). The Habiganj branch also had no female beneficiaries.

**Focus Group Discussions (FGDs) and Key Informant Interviews (KIIs) were conducted with a wide variety of respondents at the selected Training Institutes and nationally with multiple stakeholders.**

The research team visited the selected Training Institutes and conducted in-person interviews (FGDs and KIIs) with Beneficiaries, Trainers, the TI Manager, Job Placement Officer and the Executive Director. At the Training Institute level, a total of 19 interviews were completed with 103 respondents. The research team also conducted 23 in-person and telephone interviews (KIIs) with the PKSF SEIP Management Team, Industry Partners and Former Beneficiaries (dropouts, those in wage employment, self-employment and unemployed).<sup>13</sup>

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<sup>12</sup> For analysis, we have only used data for the sampled Training Institute branches instead of the Institution’s countrywide average. The branches are: BGS Cox’s Bazar, ESDO Thakurgaon, UCEP Barisal, Udoy Habiganj and Wave Foundation Chuadanga.

<sup>13</sup> The full list of respondents is presented in 0. Data collection was completed between February – March 2019.

**Table 2: Trades offered in selected Training Institute Branches**

<i>Courses</i>	<i>Training Institutes</i>					<i>Length of Course</i>
	<i>BGS</i>	<i>ESDO</i>	<i>UCEP</i>	<i>Udoy</i>	<i>Wave</i>	
<i>Automobile Mechanics</i>						6 months
<i>Electronic &amp; Electrical</i>		*		*		6 months
<i>Fashion Garments</i>	*				*	3 months
<i>IT Support Service</i>		*				6 months
<i>Mobile Servicing</i>				*	*	3 months
<i>Outsourcing (ICT)</i>		*				3 months
<i>Plumbing &amp; Pipe Fittings</i>				*		3 months
<i>Web Design &amp; Graphics</i>		*				6 months
<i>Welding &amp; Fabrication</i>		*	*			6 months

Note: All programs in the table above are residential.

Source: PKSF Administrative Data

## 2.2 Female enrolment is generally low

**Female participation is trade specific and very low across Training Institutes.** TIs have an overwhelmingly male student body, with the exception of BGS where the entire student body is female (Figure 3). This is partly driven by gendered perception of trades and the offering at each TI (Table 2). Courses in Fashion Garments have 100 percent female beneficiaries whereas those in Welding & Fabrication and Plumbing & Pipe Fittings have 100 percent male beneficiaries. However, even for TIs where multiple trades are offered, on average, 77 percent of beneficiaries are male. Along with female youth, the number of ethnic minorities and beneficiaries with disabilities are also very low at the Training Institutes.<sup>14</sup>

### Figure 3: Beneficiaries are overwhelmingly male and come from low income families

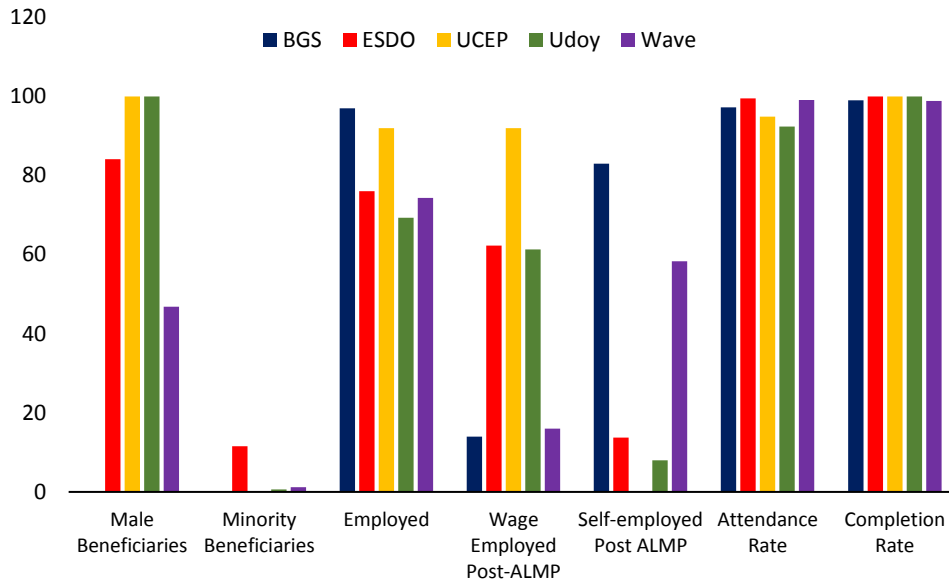
Performance indicators for sampled Training Institute branches

- A. Demographic distributions of beneficiaries and ALMP instructores, and administrative metrics (percent)<sup>15</sup>

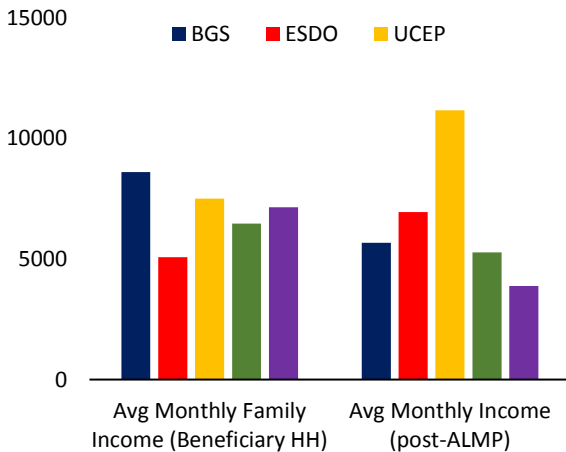
<sup>14</sup> Training Institutes are not given a target enrollment number for ethnic minorities or disabled youth, but they are prioritized along with female youth.

<sup>15</sup> Completion rate refers to the percentage of students who successfully passed the exams and were certified out of those students who had remained in the program. That is, it does not account for dropouts.

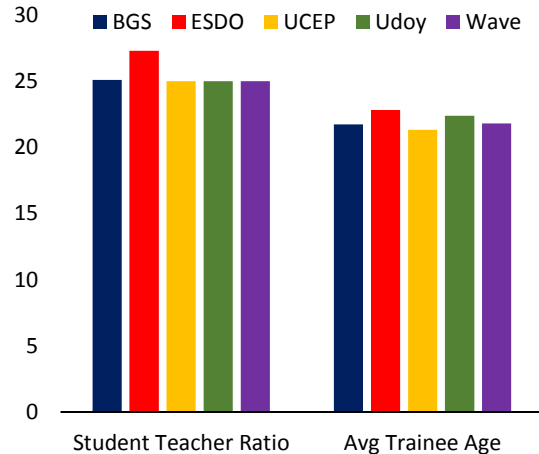




B. Average monthly income of beneficiary households before and after ALMP, by selected TI Branch (BDT)



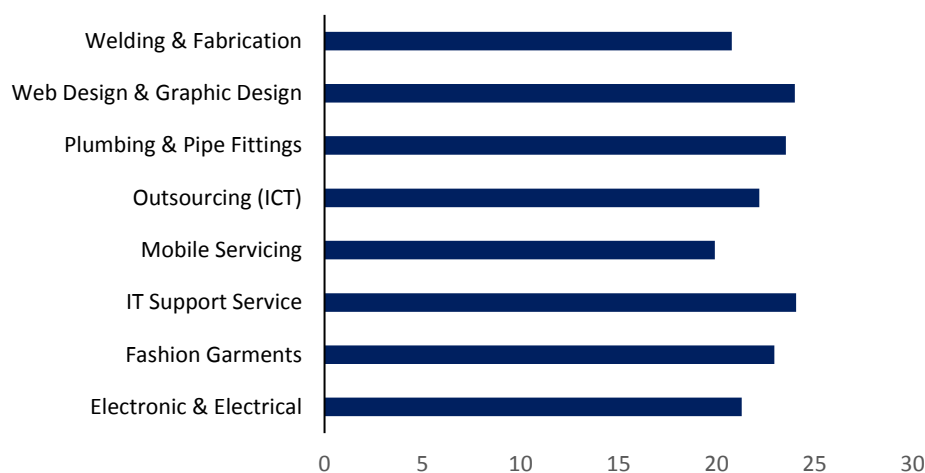
C. Beneficiary-Instructor ratio, and average age of beneficiary, by selected TI Branch



Source: PKSF Administrative Data

### 2.3 Beneficiaries tend to be young

**Most beneficiaries are youth (aged 15-29 years) (Figure 4).** The average age of beneficiaries is 22 years old. However, the average age varies slightly by trade, ranging from 20 for Mobile Servicing beneficiaries to 24 for IT, Web Design and Plumbing & Pipe Fittings beneficiaries. The majority of beneficiaries- 92 percent - fall in the youth age bracket (15-29 years). Among adult beneficiaries (aged 30+), the average age is 34, and the majority of beneficiaries in this category are female beneficiaries of Fashion Garments.

**Figure 4: Beneficiaries are 22 years old, on average***Average Beneficiary Age, by Trade*

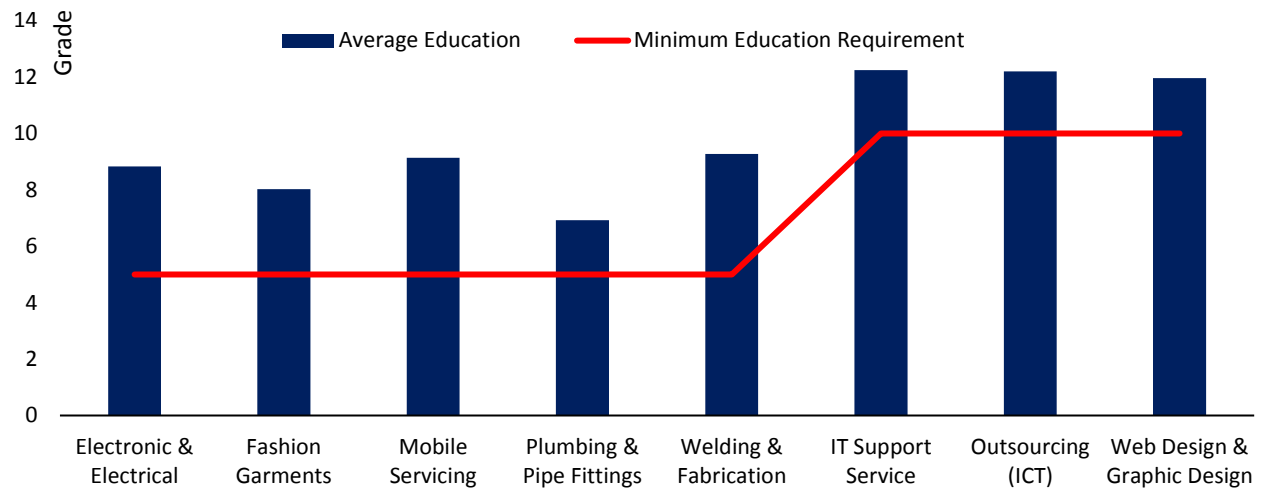
Source: PKSF Administrative Data

**On educational qualifications, beneficiaries have completed Grade 9, on average, although there is variation in the average education level of beneficiaries by trade (Figure 5).** Part of this is due to the different minimum requirements for each Trade- Grade 10, or SSC, for Web Design, Outsourcing and IT Support Services and Grade 5 for the rest. On average, beneficiaries have 3 more years of education than the minimum required. Nationally, 63 percent of youth from the poorest households (20<sup>th</sup> income percentile) have completed at least Grade 5.<sup>16</sup> Although most youth from poorer households have educational attainment rates in excess of PKSF's minimum requirements, a substantial 37 percent of youth from these households fall below the minimum requirements set by PKSF for training.

**A small share of beneficiaries- 2 percent- do not meet the minimum education criteria for enrollment.** Most beneficiaries meet the minimum age and education requirements for participating in the training. However, two percent of beneficiaries - primarily female beneficiaries in Fashion Garments - do not meet the education requirements. Although this is a small portion, it may be suggestive of challenges with either the eligibility verification or the eligibility criteria themselves. First, there may be gaps in the verification process which allows some Training Institutes to overlook minimum requirements. Second, due to the significant barriers to female participation, Training Institutes may have to lower minimum requirements to encourage enrollment.

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<sup>16</sup> Based on estimates from the Household Income Expenditure Survey 2016/17.

**Figure 5: On average, beneficiaries have 3 more years of education than the minimum required***Average Beneficiary Educational Attainment, by Trade*

Source: PKSF Administrative Data

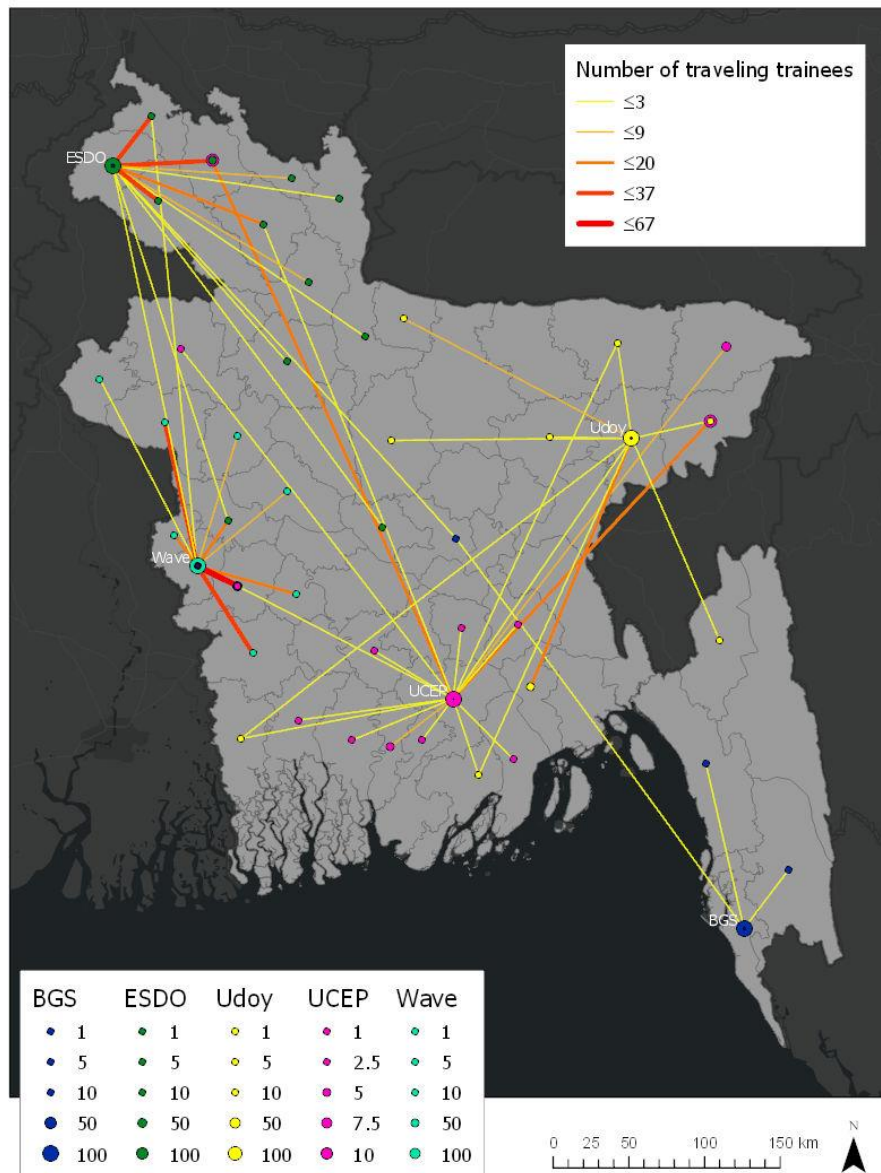
## 2.4 Beneficiaries generally come from poorer households

### **Most beneficiaries come from the same district as the Training Institute or from neighboring districts.**

Although some TIs have wider geographic reach (e.g., UCEP), the vast majority of beneficiaries come from the same district as the TI. Beneficiaries of each TI are clustered around the TI location, with few traveling from far-off districts (Map 1). BGS, ESDO, Udoy, and Wave Foundation recruit 94 percent, 63 percent, 80 percent and 56 percent of their beneficiaries from the same district respectively. On average, 88 percent of all beneficiaries come from the same division as the Training Institute.

**The location issues are important since beneficiary-family incomes vary substantially based on their home district.** There is substantial variation in beneficiaries' family income across TIs, which is indicative of regional poverty trends in the country. Beneficiary households in ESDO (Rangpur division) earned on average Tk. 5000 per month, compared to those in BGS (Chittagong division) who earned Tk. 9000 per month. Rangpur division has the highest poverty rate in the country, at 47 percent, whereas Chittagong and Sylhet divisions have the lowest, at 18 percent and 16 percent respectively (World Bank, 2018). Since most beneficiaries come from the same division, the regional poverty trends hold.

**Map 1: Beneficiaries primarily come from the same or neighboring district to the Training Institute**  
*Beneficiary Home Districts, by Training Institute*



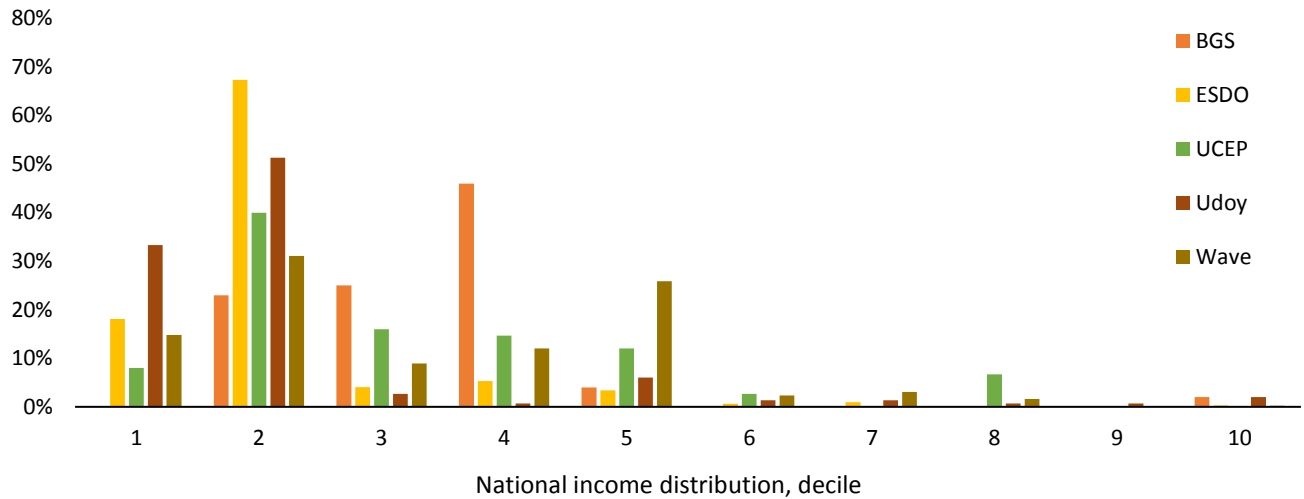
Source: PKSF Administrative Data

**Training Institutes have generally been successful in targeting youth from low-income households.**

When comparing beneficiary family income to nationally representative data from the Bangladesh Household Income and Expenditure Survey (HIES) 2016/17, beneficiaries can be seen to primarily belong to families in the bottom 40<sup>th</sup> income percentile in Bangladesh (Figure 7). A substantial portion of beneficiary families belong to the second income decile, while the majority belong to the lower end of the income spectrum. This suggests that program design and implementation has been pro-poor, and Training Institutes have successfully targeted youth from low-income families.

**Figure 7: Beneficiaries primarily come from low-income families**

Share of beneficiary families from a program by the place in the national income distribution

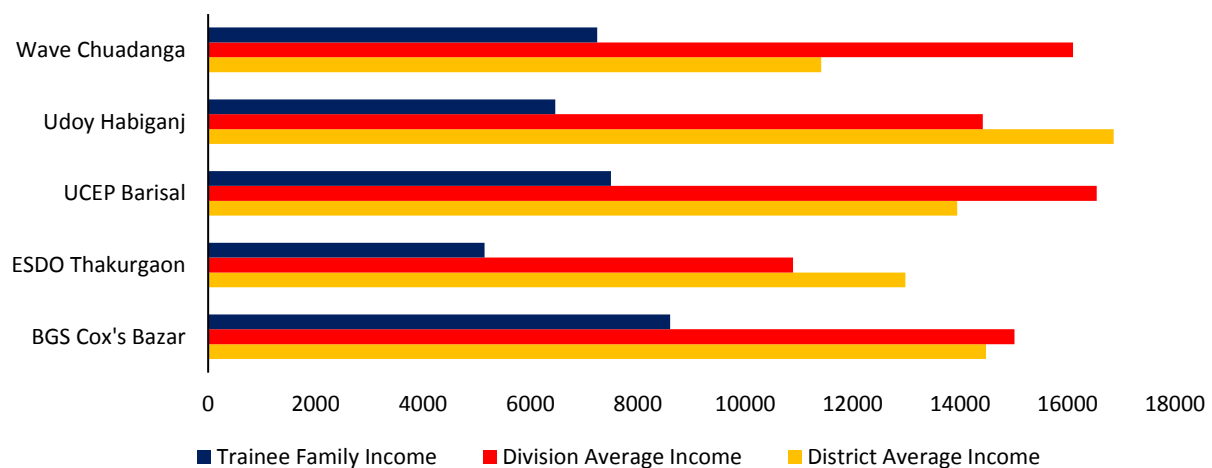


Source: PKSf Administrative Data for beneficiary enrolment by program, and national income distribution estimated from HIES 2016/17

**However, some TIs have been more successful than others in pro-poor targeting.** 85 percent of all beneficiaries in ESDO and Udoy belong to the bottom 20<sup>th</sup> income percentile compared to 23 percent for BGS. Part of this difference could be due to regional differences in income. The average monthly household income in Thakurgaon is lower than that in Cox’s Bazar (Figure 8). At the same time, given that average income is highest in Habiganj, Udoy has been most successful in pro-poor targeting and outreach efforts. Overall, Figure 8 also shows that the average beneficiary family income is significantly lower than the district average for all Training Institutes, which reinforces the program’s success in pro-poor targeting.

**Figure 8: Beneficiary family income is significantly lower than the district and the division average**

Beneficiary Family Income (monthly) compared to average monthly Income by District



Source: PKSf Administrative Data and Household Income and Expenditure Survey 2016/2017

### 3. Key Findings

<b>BENEFICIARY PROFILE</b>	<ul style="list-style-type: none"> <li>• The majority of beneficiaries are youth (aged 15-29 years) who have completed up to Primary School.</li> <li>• A small portion of beneficiaries, primarily female, do not meet the minimum education criteria for enrollment.</li> <li>• Female participation is very low across Training Institutes and concentrated in one trade (Fashion Garments).</li> <li>• Training Institutes have successfully targeted youth from low-income families.</li> </ul>
<b>OUTREACH AND ENROLLMENT</b>	<p><b>Process Overview:</b></p> <ul style="list-style-type: none"> <li>• TIs primarily leverage existing community connections to reach unemployed youth.</li> <li>• For female youth, key barriers that limit participation in the training programs are (1) Safety concerns; (2) Social norms around women’s mobility outside the home; and (3) Gendered perception of trades.</li> </ul> <p><b>Successes:</b></p> <ul style="list-style-type: none"> <li>• Word of mouth and recommendations from past beneficiaries are most effective in attracting new beneficiaries, particularly female youth.</li> <li>• To target youth from low-income families, TIs partnered with influential community leaders and chose meeting locations in low-income communities.</li> </ul> <p><b>Challenges:</b></p> <ul style="list-style-type: none"> <li>• Outreach efforts are not effective for female youth. Some TIs have no female staff in their outreach team and the gendered perception of trades also makes it challenging to increase female enrollment in certain trades.</li> </ul>
<b>TRAINING PROGRAM</b>	<p><b>Training Components</b></p> <ul style="list-style-type: none"> <li>• The skills development program at each TI has two broad components- (1) technical skills and (2) soft skills. The first follows a formal curriculum while the second is more unstructured.</li> </ul> <p><b>Successes:</b></p> <ul style="list-style-type: none"> <li>• Industry recruiters unanimously value the soft skills (non-cognitive abilities) that beneficiaries bring to the job.</li> <li>• Within technical skills, recruiters value the basic sector knowledge (safety regulations, ability to read and follow instructions) that beneficiaries bring, compared to fresh hires.</li> <li>• Beneficiaries interested in self-employment find the core technical skills component most valuable in starting a business.</li> </ul> <p><b>Challenges:</b></p> <ul style="list-style-type: none"> <li>• Industry recruiters find beneficiaries’ technical skills inadequate for the job. Many highlight the short duration of the training (3-6 months) as insufficient for comprehensive technical training in the sector.</li> <li>• Industries provide role specific in-house training to all new hires.</li> <li>• Technical skills requirements vary by industry and role.</li> <li>• Curriculum updates are not keeping pace with technological advances in industry, which is a key challenge for the industry relevance of the training.</li> </ul>

**JOBS AND INCOME*****Pre-training Barriers to Employment:***

- Beneficiaries faced four key constraints in accessing the job market before training- (1) financial; (2) lack of connections/network; (3) low educational qualifications; and (4) family and social norms.
- Beneficiaries interested in starting a business faced two key barriers- (1) Lack of skills; and (2) Lack of seed capital.

***Post-Training Employment and Income Trends:***

- On average, 78 percent of all beneficiaries are employed (either in wage or self-employment) three months after the training. Employment rates vary by trade, and female beneficiaries have a higher employment rate than male beneficiaries.
- Preference for wage or self-employment varies significantly by trade and gender. Most women prefer self-employment whereas most men prefer wage employment.
- Beneficiaries' average monthly income varies substantially by trade. Welding & Fabrication has the highest salaried jobs and Mobile Servicing has the lowest.
- Overall income trends indicate that the highest paid trades are male dominated. As a result, women are disproportionately affected by the trade specific salary differences.

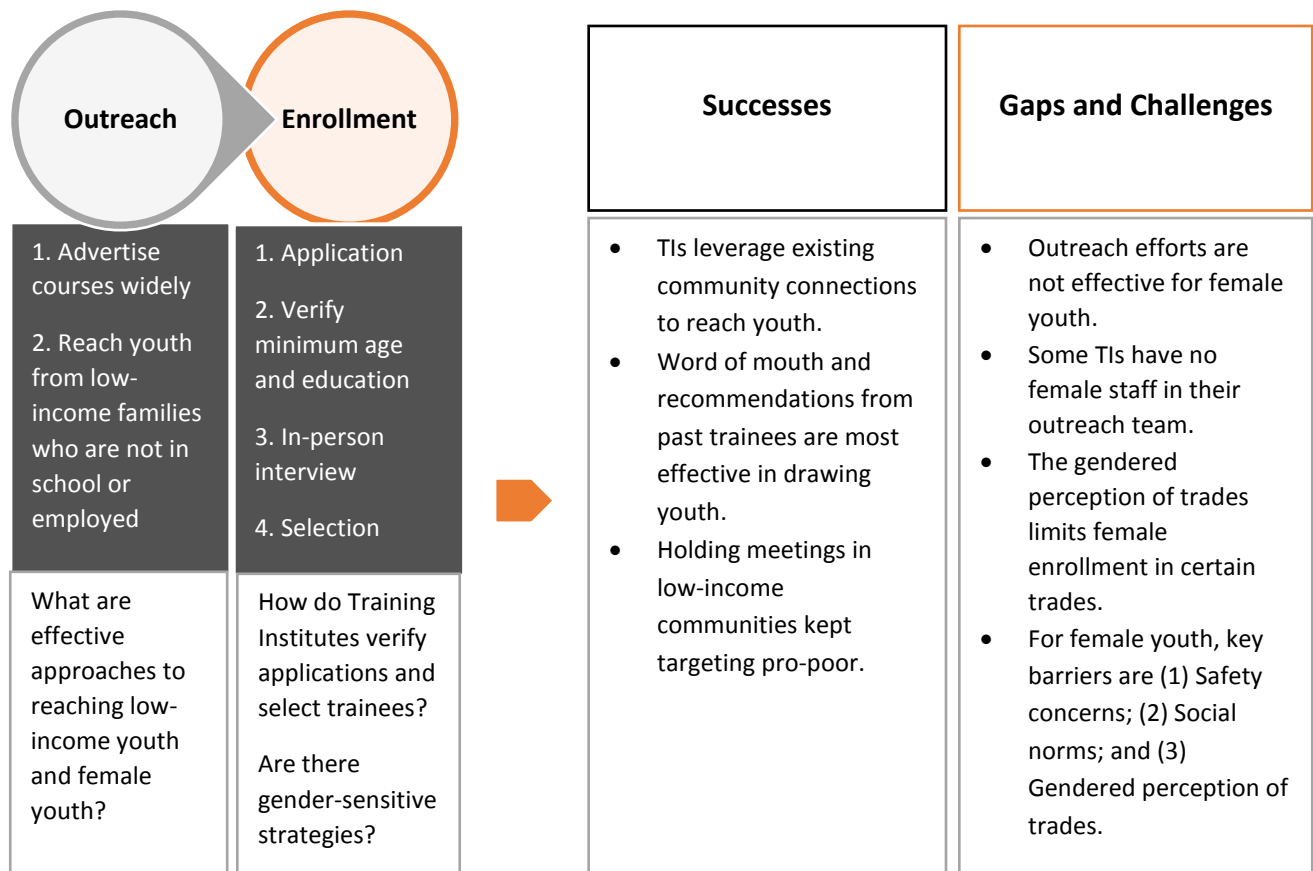
***TI Support Services: Current Provisions***

- TI support services for wage employment include unstructured counselling sessions on job expectations, factory environment, labor laws and work etiquette.
- There is wide variation in TI support services for self-employment, ranging from structured entrepreneurship modules to unstructured counselling sessions about the process of setting up a business.
- Some TIs also offer micro loans for beneficiaries to grow their business, but not as seed capital.

***TI Support Services: Gaps and Challenges***

- Beneficiaries value the industry exposure that the 2-week internship at the end of the training provides, but think it is too short.
- Due to the changing needs of industry, there is often a mismatch between trades offered and jobs available.
- At present, TIs do not provide any guidance or support to beneficiaries interested in international migration, even though there is substantial interest from beneficiaries.
- Beneficiaries interested in self-employment outline two key gaps where the TI could provide more support- (1) Seed capital to get started, (2) Mentorship and guidance to run and grow the business.

### 3.1 Outreach and enrollment



#### Process Overview

**Training Institutes primarily leverage existing community connections to reach unemployed youth.**

Although TIs use a range of promotional materials, including posters, leaflets, street plays and loudspeaker announcements, they consider direct engagement with communities as their most effective approach (Figure 9). As PKSf member organizations, all TIs have existing microcredit programs with the communities. TIs advertise the training program during their community meetings and encourage borrowers to identify unemployed youth who would benefit from the program. Some partner with other grassroots organizations and community mobilizers to advertise the program more widely. Once qualifying youth are identified, TIs conduct household visits and directly engage with guardians on the training program details. TIs highlight this as key to building guardians’ trust in the program and institution. During household visits, guardians are informed further about the training program, including the courses available, residential facilities and the potential for income generating activities at

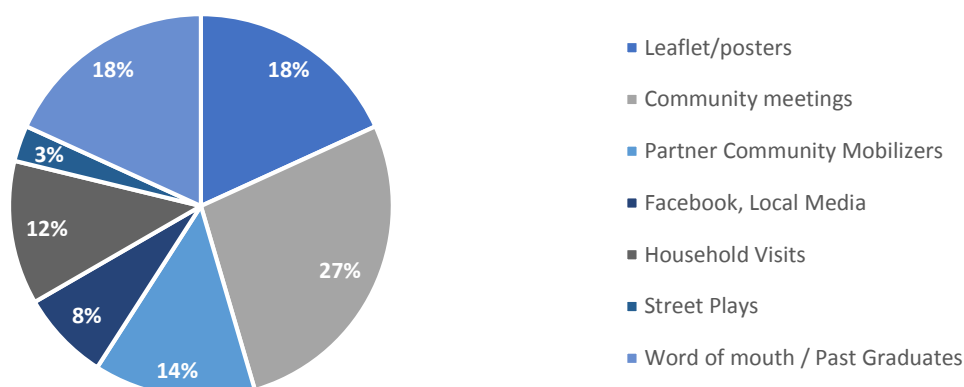


the end of the course. In addition to these outreach methods, Training Institutes work with local allies and community leaders<sup>17</sup> to reach those in remote areas, as well as indigenous communities.

*“They have tremendous loyalty towards their community leader, so we have to convince that person [the community leader] first about the benefits of the training program.” – Training Institute Manager*

**Figure 9: Community meetings are most commonly used by TIs for outreach**

Outreach methods used



Source: Qualitative Interviews

**For female youth, key barriers that limit participation in the training programs include (i) safety concerns; (ii) social norms around women’s mobility outside the home; and (iii) gendered perception of trades (Figure 10).** Bangladesh has seen considerable improvements in female literacy over the last two decades. However, this has not translated to a proportional increase in female labor force participation. Although higher than the South Asian average of 26 percent, only 36 percent of working age women in Bangladesh are currently in the labor force (World Bank Data 2018). Studies show that even after accounting for differences in human capital endowments, women in South Asia are systematically less likely to participate in paid work than men (Asadullah and Wahhaj, 2017).

**Concerns over women’s safety in public spaces and the informal nature of women’s work are major barriers to female labor force participation across South Asia (Sudarshan and Bhattacharya 2009).**

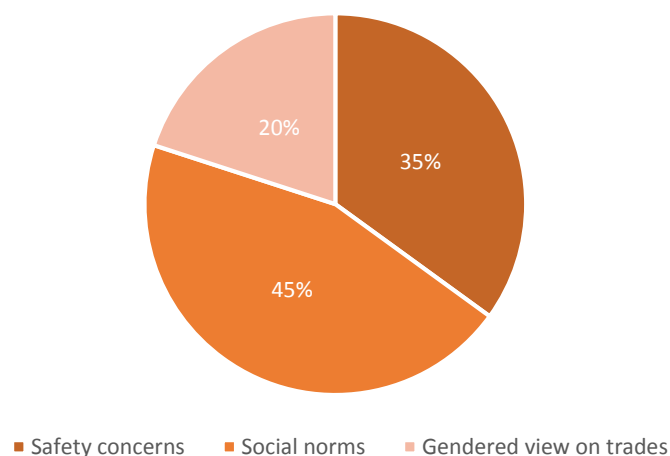
Family attitudes towards women working after marriage have been found to affect female labor supply (Del Boca et al. 2000; Fernández, Fogli and Olivetti, 2004). This is particularly important, given the patriarchal norms which persist in South Asia. Women act as primary caregivers such that their labor supply is a function of the preferences of the marital household (Sudarshan and Bhattacharya 2009). Cultural and religious norms also negatively affect female labor force participation by imposing legal restrictions on women’s right to inheritance and property (Cameron, Dowling, and Worswick 2001; Gonzales et al 2015) as well as outside mobility (Kabeer 1990; Amin 1997; World Bank 2011; Klugman, Hanmer, Twigg, Hasan, and McCleary-Sills 2014; Ahmed and Sen, 2018). In Bangladesh, community practice of purdah, or female seclusion, have been found to have a statistically significant and negative effect on women’s employment. In fact, researchers found that a quarter of the unexplained gap

<sup>17</sup> Community leaders include village leaders, religious leaders, UP Chairman or Member, and other influential people.

between male and female LFP, after controlling for other factors, is explained by community purdah norms (Asadullah and Wahhaj, 2017). Given the influence of social norms, women's participation in work in South Asia may be limited in spite of increases in education and household income (Srivastava and Srivastava 2010; Neff, Sen and Kling 2012).

**Figure 10: Social norms and safety concerns are primary barriers for female participation**

Barriers to female participation in training programs



Source: Qualitative Interviews

**For female youth, similar constraints prevent greater female enrollment in training programs.** As Figure 10 shows, the primary barriers to participation, according to TI management and female beneficiaries, are safety concerns followed by social norms. TIs leverage their reputation in the community to address some of these barriers. Guardians are invited to tour the residential facilities for safety assurance before enrolling their daughters. TIs also share the experience of past female beneficiaries to motivate guardians and highlight post-training income prospects.

#### *Outreach and Admission Successes*

**The admission process involves two steps.** First, interested youth are required to submit a form along with supporting documents that show eligibility (age and education qualifications). Next, candidates are invited to the Training Institute for an interview where they are screened for interest in the training, commitment to find employment, family income and current education and employment status.

**Recommendations from past beneficiaries or community members are most effective in attracting new beneficiaries.** Past beneficiaries' recommendations about the program and subsequent income status inspired many of the current beneficiaries to enroll. This 'network effect' also plays a key role in attracting female beneficiaries. Guardians are more likely to allow their daughter to enroll if they know of other families in the community doing the same. Examples of past female beneficiaries from the community who are currently employed also inspire guardians' confidence in the program. Studies show that recommendations, particularly when referees are incentivized, can be more effective in targeting (Fafchamps et al., 2018). At the same time, the scale of this 'network effect' is limited for female beneficiaries by their relative lack of networks.

**Given the important role that past beneficiaries play in outreach efforts, some TIs have used social media platforms to keep beneficiaries connected.** Others have successfully used the platforms to share details about upcoming courses. Although the scale of social media use for outreach has been limited so far, TIs currently using social media have highlighted its potential to reach a wider base if used in addition to the existing outreach methods.

*“For every new batch, we create a Facebook group. [After graduation], we periodically check in with them through the group. Communication becomes very easy. Sometimes, they reach out if they are again looking for a job.” – Training Institute Management.*

**All Training Institutes have successfully reached youth from low-income families through a targeted community approach.** TIs used similar outreach approaches, with minor variations. Those with the most well-targeted programs chose community meeting locations based on income levels of that community. These TIs also prioritized partnering with influential community leaders before meeting the community. All TIs leveraged their in-depth knowledge of the community from prior program implementations to target outreach efforts successfully.

*“We do yard meetings in places where the rate of poverty is very high; we campaign there, and we do counselling. We sit with the guardians. We arrange for some food.”- TI Management.*

#### *Outreach and Admission Challenges*

**The low female enrollment rate across Training Institutes highlights the need to rethink outreach efforts for female youth.** Although TIs are reaching out to families directly, and often working with female community leaders, there is no separate outreach strategy for female youth. Given the specific barriers that female youth face, the same approach and program offering may not be as effective for them. At the same time, not all outreach teams at the TIs have female staff, who may be better able to speak to guardians’ concerns about girls’ safety.

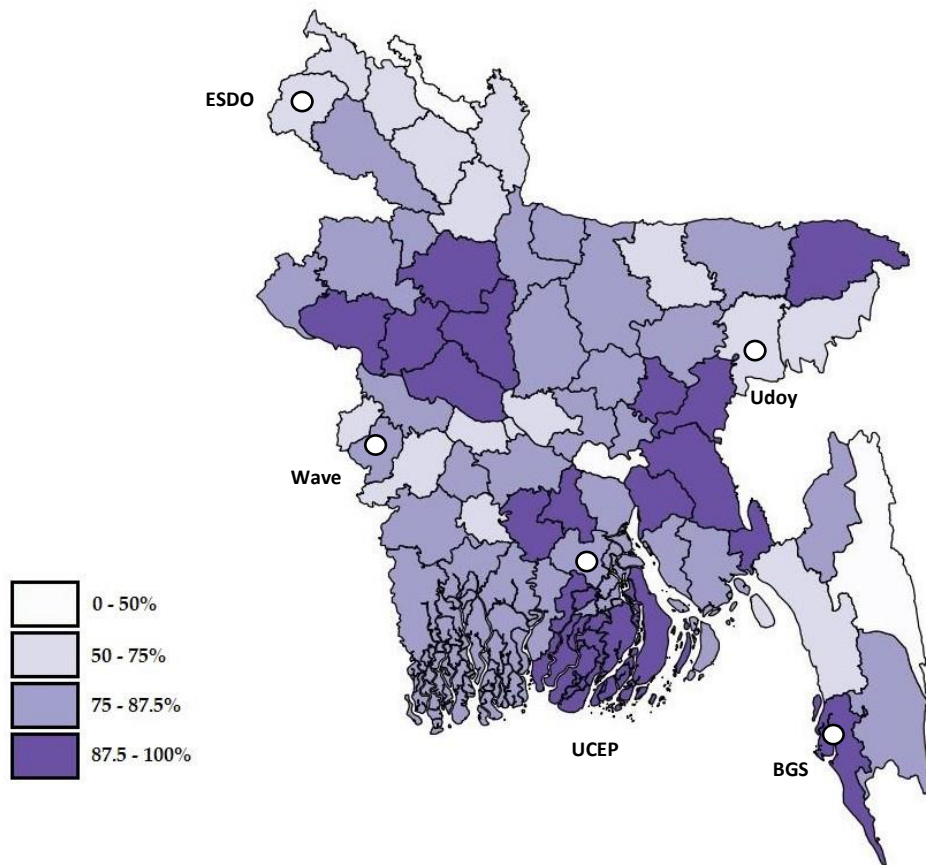
**As noted earlier, social norms can be a major barrier to female participation in the training programs.** In more conservative communities where the practice of purdah is more prevalent, social norms can play a larger role in female decision making (Asadullah and Wahhaj, 2017; Ahmed and Sen, 2018). Map 2 shows the prevalence of purdah practice across all districts in Bangladesh, and it can be seen that with the exception of Wave Foundation, all other TIs are either located in or neighbor districts with high purdah prevalence. In such areas women likely face more acute social barriers to participation in programs and the labor market. Given this, there may be greater need for a targeted outreach strategy for female youth at these Training Institutes.

**The gendered perception of trades also makes it challenging to increase female enrollment in certain trades.** For example, in Training Institutes (TIs) where the Fashion Garments trade is not offered, female enrollment is only five percent, on average. The low number of female beneficiaries also discourages other guardians from sending their daughters for training in these trades, even though the salary is, on average, higher. With the exception of Fashion Garments, none of the trades in the five TIs had female instructors, or gender sensitive curriculum design which would encourage women to sign up for

traditionally male dominated trades. At the same time, given the gendered perception of trades, not enough female-preferred trades were offered for training.

**Map 2: Beneficiaries come from more conservative communities where barriers to female participation is higher**

District-wise distribution of purdah practice in Bangladesh

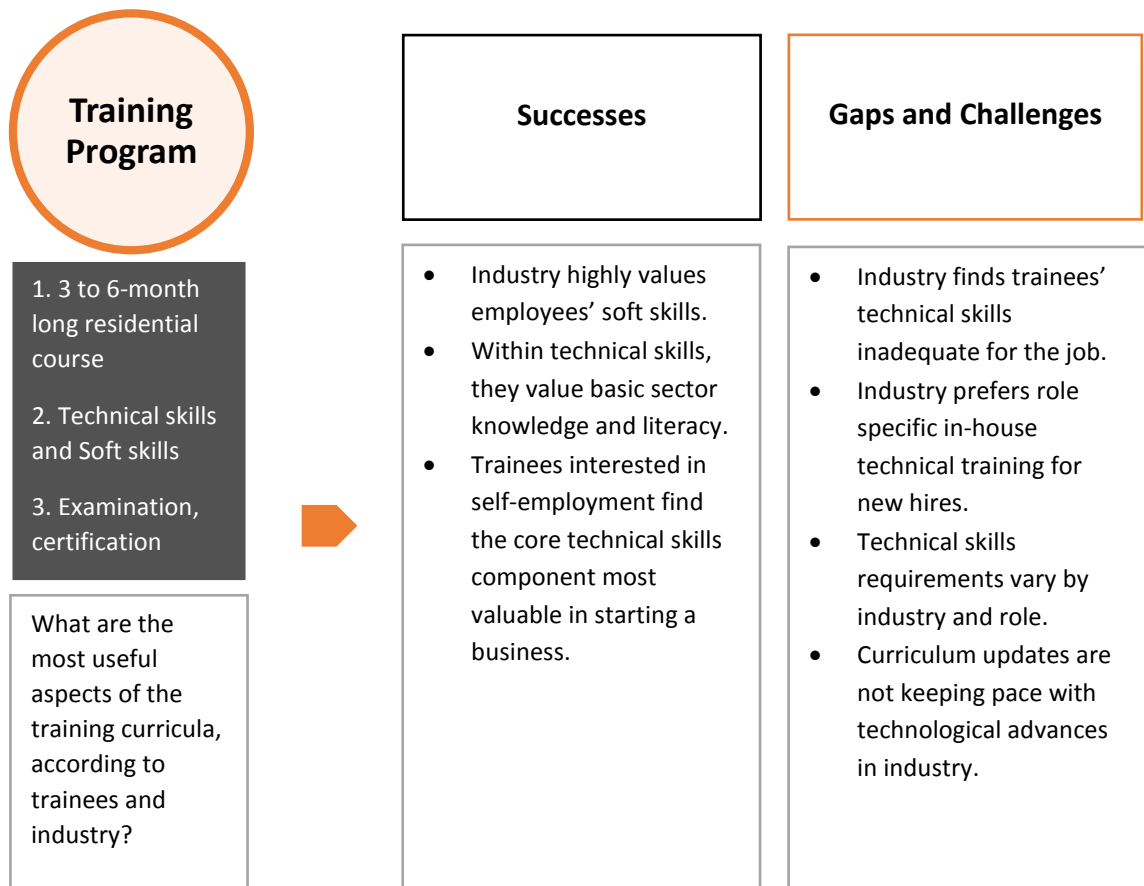


Note: Map shows proportion of women living in households where purdah practice is required. Figures are based on responses by 6,293 women to the female respondent questionnaire of the 2014 WILCAS.

Source: Asadullah and Wahhaj (2017)

**During the admission process, beneficiaries find trade-specific information provided on leaflets insufficient.** For technical trades such as Electronic & Electrical and Welding & Fabrication, it is not immediately clear what the course entails and what job opportunities will be available to beneficiaries after the course. Beneficiaries highlight this as a challenge to choosing a trade based on the information provided.

### 3.2 Training Program



**The skills development program at each TI has two broad components - (i) technical skills and (ii) soft skills (or non-cognitive abilities).**<sup>18</sup> The technical skills component aims to provide beneficiaries subject matter expertise through a combination of theoretical and practical knowledge on the specific trade. The objective of this component is to enable beneficiaries to become practitioners in a particular trade. The Soft Skills component focuses on developing beneficiaries' non-cognitive skills, e.g. teamwork, leadership, relationship management, personality factors, effective time allocation, and the ability to assimilate information. The objective of this component is to better prepare beneficiaries for the workplace. Although not mandated by SEIP, PKSf requires all implementing partners to offer non-cognitive training as part of the SEIP program curricula.

**Curriculum for the technical skills component is decided through consultations with Training Institutes and industry.** Based on the feedback, PKSf decides on the core competencies required for each trade which TIs use to structure detailed course plans. The technical skills curriculum is primarily focused on

<sup>18</sup> Cognitive skills require conscious intellectual effort, such as thought, reasoning, or remembering. Noncognitive skills are related to motivation, integrity, and interpersonal interaction. They may also involve intellect, but more indirectly and less consciously than cognitive skills.

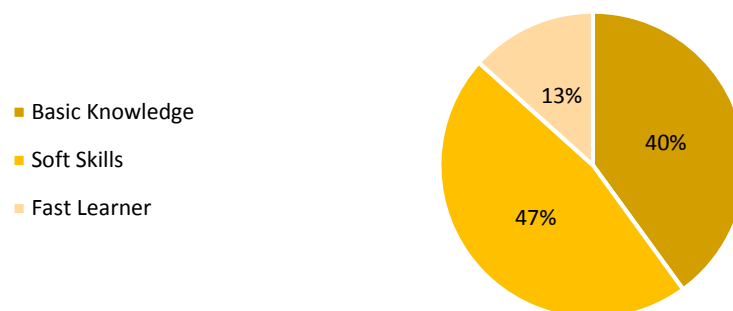
practical training, with 80 percent of lesson time devoted to hands-on learning. Although there is some variation in how each TI structures courses, the core competencies (by trade) are the same across institutes.

**The soft skills training is provided at all TIs in a variety of formats, both structured and unstructured, although it is not a part of the SEIP curriculum, by design.** Beneficiaries learn to work together in teams, communicate effectively, be disciplined and punctual with attendance, and take leadership in group activities. This is further enhanced by the residential nature of the program which teaches beneficiaries how to live away from home and build work ethics. Alongside, Training Institutes provide regular classroom sessions on soft skills<sup>19</sup>. For some TIs, this is structured as weekly one-hour sessions where the TI management discusses concepts of professionalism, effective communication and behavior in the workplace with the beneficiaries. These TIs have preset soft skills modules (developed by the TI themselves) which they complete over the course of the training. In other TIs, management simply provides “soft skills counselling” to beneficiaries as required. These are ad-hoc sessions between TI management and beneficiaries and is more informal and informational in nature. They do not follow a preset Soft Skills curriculum.

**Industry recruiters unanimously value the non-cognitive abilities that beneficiaries bring to the job (Figure 11).** Recruiters emphasized that hires from Training Institutes stand out from fresh hires in this aspect. They are more job-ready, professional and learn work (technical skills) faster. This is supported by cross-country evidence, with the literature suggesting that non-cognitive abilities are highly predictive of labor market outcomes.<sup>20</sup> Surveys of employers from diverse countries confirm that non-cognitive abilities are highly demanded, and that firms often struggle to find workers with high levels of these skills (Cunningham and Villasenor, 2016).

*“The biggest thing is discipline. Coming to office at the right time, working, [knowing] how to behave with the boss. Then leaving the office at the right time. [Beneficiaries have this] soft skill.” - Employer*

**Figure 6. Industry recruiters value the soft skills that beneficiaries bring, compared to new hires**  
Attributes that industry employers value in recruits from TIs Training Institutes



Source: Qualitative interviews with Industry Recruiters

<sup>19</sup> SEIP does not mandate soft-skills training or include a soft-skills curriculum. However, PKSf asked all Training Institutes to provide soft-skills training to the beneficiaries, on its own initiative. However, no formal curriculum was provided. As a result, the soft-skills taught varied extensively among TIs.

<sup>20</sup> There is a broad literature on this, and includes Bassi et al., 2017; Borghans et al., 2008; Deming, 2015; Groh et al., 2015; Guerra et al., 2014; Heckman and Kautz, 2012; Heckman et al., 2006; Montalvao et al., 2017

**Improved non-cognitive skills have substantial benefits for both the employers and the employees.** In a recent study in which soft skills training was provided to female garment workers in India for 12 months, the firm enjoyed a 250 percent return on investment, primarily due to increased worker productivity. Those who received the non-cognitive skills training were 20 percent more productive than those who didn't. In addition, worker attendance and retention improved, and workers were able to perform complex tasks in less time. The workers who received training had better opinions of themselves, took more advantage of government programs, were more likely to request training for technical skills, and saved more for their children's education. As the study shows, soft skills training programs have the potential to empower workers both in and out of the workplace (Achyuta, Kala and Nyshadnam, 2016).

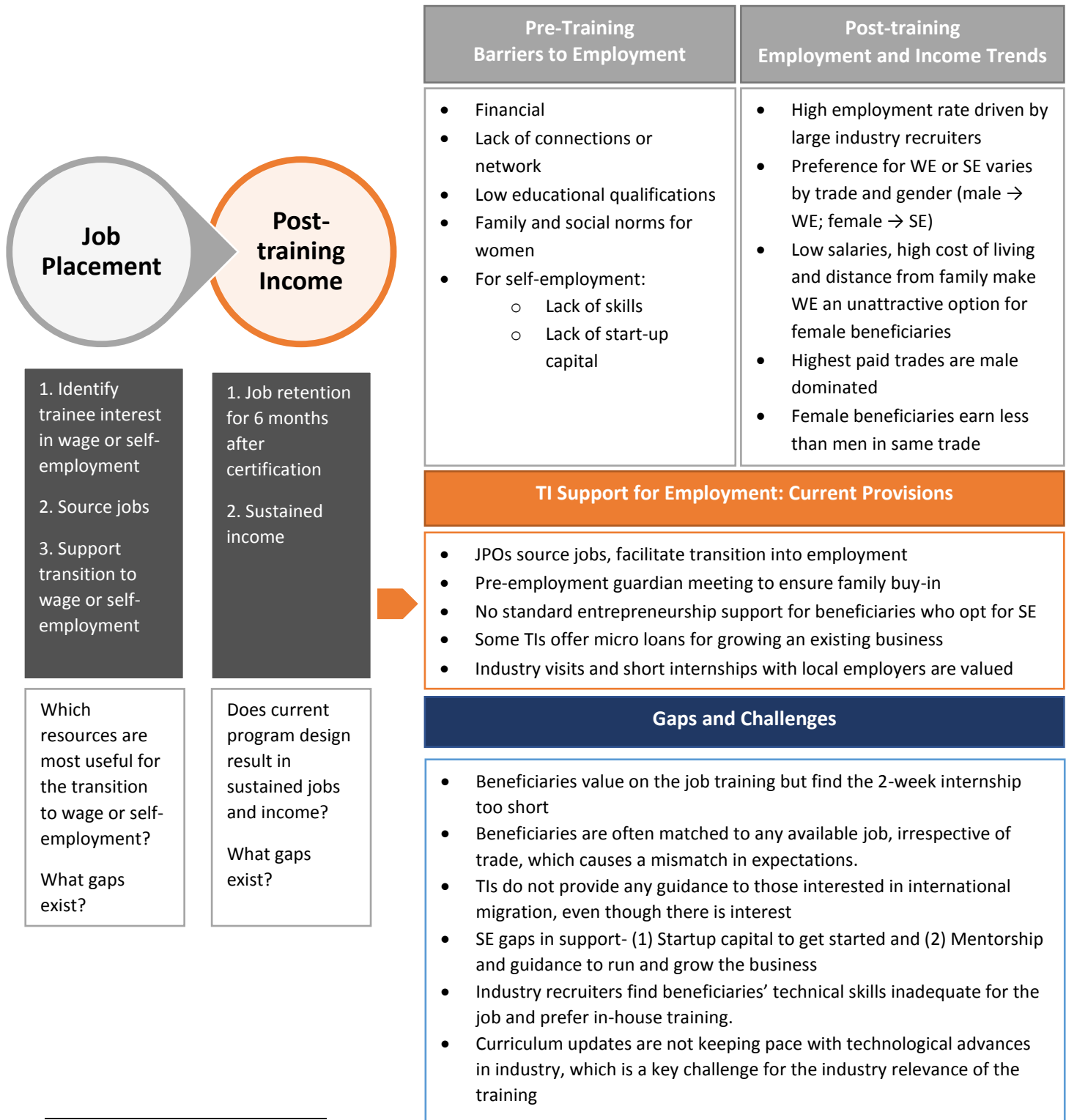
**Within technical skills, recruiters value the basic literacy and sector knowledge that beneficiaries bring, compared to fresh hires.** Primarily, industry recruiters value beneficiary knowledge on safety regulations in the factory, names of machines, parts and tools, and beneficiaries' ability to read and follow instructions. Industry recruiters value literate workers who are better at tasks like keeping records or learning new work from a pattern, which allows them to fill in for absent workers (Heath and Mobarak, 2015). Some factories even administer English or math tests to job applicants (Amin et al., 1998) to check for literacy.

*"If we hire some fresh candidate, suppose we take an electrician...we have to teach them the safety procedures, we have to make him learn about the tools. [The beneficiaries] know about the basic safety rules, and as a result the rate of accidents decrease."- Industry Recruiter*

**Beneficiaries interested in self-employment find the core technical skills component most valuable in starting a business.** These beneficiaries are interested in service-oriented businesses such as tailoring and mobile servicing which requires strong technical knowledge of the service to be provided. For them, the primary motivation behind joining the Training Institute is to learn the work.

*"I wished that, let me take the training first, let me completely learn the work and after learning...I can sew clothes in the market or I can take some clothes from the market and stitch those at home. Then I will have some income."- Female beneficiary, Fashion Garments*

3.3 Jobs and Income<sup>21</sup>



<sup>21</sup> Post-training outcomes primarily varied by trade and gender, and not by Training Institute (TI). Since TIs offer different trades, their performance on all post-training outcomes are not directly comparable. So, differences between TIs are not discussed in this section. Instead, the analysis is structured around trades and beneficiary gender.



### *Pre-training Barriers to Employment*

**The vast majority of beneficiaries had no work experience prior to joining the Training Institute, although many had attempted to find work.** Among the barriers that they faced, beneficiaries outline four key constraints in accessing the job market - (i) financial<sup>22</sup>; (ii) lack of connections/network; (iii) low educational qualifications; and (iv) family and social norms. The fourth barrier was emphasized primarily by female beneficiaries.

**For most beneficiaries, accessing jobs through the Training Institute was the primary motivation behind joining the TI.** In Bangladesh, those who can leverage social networks or connections can access jobs more quickly and easily (Matsuda and Nomura, 2017). For those without such networks, accessing jobs can involve high costs. Beneficiaries highlighted this lack of connections or network as a key barrier to accessing jobs.

**For female beneficiaries, the primary barrier is around social norms and family expectations.** Female labor force participation in Bangladesh is only 36 percent compared to 81 percent for men (ILOSTAT database, 2019). There is often social pressure on families with daughters who have migrated for work and families express safety concerns and skepticism about their daughters living far from home. Indeed, studies in Bangladesh show that girls in garment-proximate villages are 15 percentage points more likely to have worked outside the home than those who have to travel for it (Heath and Mobarak, 2015).

**At the same time, due to the gendered preference of trades (high concentration of women in Fashion Garments), wage employment opportunities do not always exist close to home.** This results in self-employment being the primary choice for female beneficiaries who want to pursue an income. Beneficiaries also highlighted marriage, pregnancy and increased home responsibilities as reasons why women do not enter the job market.

**Beneficiaries interested in starting a business faced two key barriers - (i) lack of skills; and (ii) lack of start-up capital.** For these beneficiaries, skills development was the core motivation behind joining the training program and they saw it as a first step towards starting and growing their business.

*“I wanted to gain more skills. I already have a shop and I know about batteries and SIM. If I can learn mobile servicing work here, then I can do more and diversify. This will give me extra income- Taka 200/250 per mobile.” – Male Beneficiary, Mobile Servicing*

### *TI Support for Employment: Current Provisions*

#### *Wage Employment*

**All TIs have a dedicated Job Placement Officer (JPO) whose main objective is to source work opportunities and connect beneficiaries to wage or self-employment at the end of the training program.** Although the exact industry outreach process varies, JPOs focus on building relationships with

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<sup>22</sup> Trainees mentioned multiple reasons why they would need money to access good jobs- (a) to pay a fixer who can connect them to opportunities; (b) to migrate to areas where there are more jobs; and (c) to pursue the education needed to access good jobs.

industry partners through regular industry visits, networking with hiring managers and organizing job fairs where industry partners are invited.

**JPOs also work with beneficiaries to facilitate their transition from training to employment.** Early in the training process, the TI Management tries to gauge student preference on wage and self-employment. For beneficiaries interested in wage employment, the JPOs help prepare the application package, including CVs and other required documents. They also help beneficiaries build and practice interviewing skills before job interviews. Throughout the training period, JPOs provide unstructured counselling sessions to beneficiaries on job expectations, factory environment, labor laws and work etiquette. They also help beneficiaries manage expectations around moving to a new location and the associated cost of living. Due to the unstructured nature of these sessions, the content varies at each TI.

**Before beneficiaries relocate for work, some TIs hold a pre-employment guardian meeting to ensure that families understand the employment process and are on board.** Homesickness causes many beneficiaries to dropout and TIs urge guardians to encourage beneficiaries to stay in the job. Many TIs support beneficiaries who are relocating for work by helping with logistics.

*“We take them to the industry and take care of their accommodation arrangement. After nicely settling them in with arrangements for food and lodging, and after cooking and eating with them, our team comes back. Meaning that, the beneficiaries do not have to worry about anything.” – Job Placement Officer.*

#### Self-Employment

**There is wide variation in TI support for self-employment.** Some have created structured entrepreneurship modules where beneficiaries learn how to start and run a business. Most TIs, however, provide unstructured counselling sessions about the process of setting up a business.

*“We tell [the beneficiaries] where and how to select the place [for setting up shop]. How to understand the demand. Where the materials will come from. What kind of support they should give.”- Job Placement Officer*

**In addition to general guidance, some TIs also offer micro loans which their beneficiaries can use to grow their business<sup>23</sup>.** The loan comes with concessional terms- it is at a lower interest rate than a traditional microfinance loan and the repayment period is longer. This loan, however, is only available once the beneficiary has already set up the business and demonstrated business activity.

*“We check whether the shop is his, when did he rent it, how much money did he rent it with. Then we observe shop activity for one or two months. After that we provide feedback to the credit unit manager. The beneficiary is then eligible for loans between Taka Fifty Thousand up to Three Lakh.”- TI Management*

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<sup>23</sup> SEIP does not include a credit component for beneficiaries interested in self-employment, and consequently, there are no funds for it. However, since the TIs themselves are microfinance institutes, some have successfully linked beneficiaries from the SEIP to credit products that they offer under other programs.

**TIs arrange industry visits and two-week internships for all beneficiaries where they work with a local employer (usually a master craftsman).** The objective of this internship is to give work exposure to all beneficiaries. TIs highlighted this as being particularly important for beneficiaries interested in self-employment in the future.

*“We tell the beneficiaries that if anyone wants to set up a shop for mobile phones, go work in that area for at least a few days. If you stay there will be two benefits. One is your soft skills will increase; you will gain perspective. The other one is that, the customers who come to that shop, with them you will build a relationship. So, when you set up a workshop later, then you can proceed with these customers. Your market will be automatically created to some extent.”* TI Management

### *TI Support for Employment: Gaps and Challenges*

#### Wage Employment

**Beneficiaries value on the job training but highlight that the two-week internship is too short.**

According to beneficiaries, longer internships or on the job training would help them learn the work more extensively.

*“Out of the three months training that we are doing, only the last 15 days are for internship. After the internship we realize that maybe we are not doing the work well. My suggestion is to do an internship for a few days every month. If there were intermediate internships, that would have been helpful.”*- Current Beneficiary.

**Beneficiaries are often matched to any available job, irrespective of trade, which causes a mismatch in expectations.** Technical skills requirements vary by industry. Recruiters in specialized industries like shipbuilding have higher technical skills requirements for new hires. They test for knowledge of welding and safety regulations. At the same time, recruiters looking to fill many roles in a production line have low technical skills requirement. For these employers, trade based technical skills are not as relevant.

*“[Things we look for are] physical fitness and age. Those who match with us on these we take their exam. Our exam is nothing much, [we check] whether they can read and write, that’s all.”* – Employer

**Due to the changing needs of industry, there is often a mismatch between trades and the jobs available.** The biggest labor demand from industry are for factory roles that do not have specific technical skills requirements. Beneficiaries from numerous trades are sent to fill these roles, which creates a mismatch in expectations and technical skills. These beneficiaries are re-trained in industry and their prior technical skills are not used on the job. Therefore, industry needs should be regularly evaluated and the training and job matching program should be updated accordingly to avoid inefficiencies in the system.

**At present, TIs do not provide any guidance or support to beneficiaries interested in international migration, even though there is substantial interest from beneficiaries.** Those who pursue employment abroad go through their own networks, which can be a costly process. As several studies show, the costs of migration are much higher in Bangladesh compared to other countries, due to the high intermediary fees involved (Farole and Cho, 2017). There is scope to provide structured guidance to beneficiaries about the process for overseas migration and create linkages with other institutions like BMET.

### Self-Employment

**Beneficiaries interested in self-employment outline three key gaps where the TI could provide more support - (i) startup capital to get started, (ii) mentorship and guidance to run and grow the business and (iii) equipment or machine with which to start the business.** At present, beneficiaries primarily use their parents' or relatives' savings to start their business. Those who cannot access funds join wage employment to gather the initial funds. Even though loans are offered through microfinance organizations, these loans are not accessible to beneficiaries as startup capital, which is a major limitation. According to a PKSF study, initial investment made by self-employed beneficiaries range from Tk. 49,000 for male and Tk. 12,000 for female beneficiaries (PKSF 2019). This is approximately 62 percent less than beneficiaries' initial plan for investment and underscores the financing gap faced in starting their business.

*“When he is from a marginalized group, it’s not possible for him to collect even five thousand Taka. Then what does he do. To start a shop, he has to pay deposit on the shop, rent, he will need equipment to go on for the initial six months. Besides he will need some raw materials.” – TI Management.*

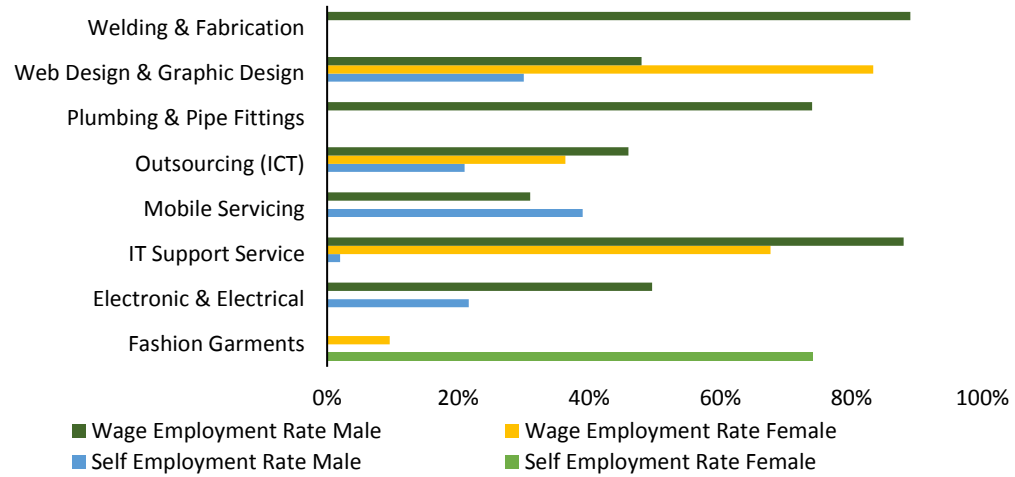
**Some beneficiaries also spoke about the need for continued mentoring as they start and stabilize their business.** Although TIs check-in with past beneficiaries for 6 months after graduation, this is mostly to check employment status and income. Currently, no formal mentorship exists once the beneficiary graduates.

### Post-training Employment Trends

**On average, 78 percent of all beneficiaries are employed (either in wage or self-employment) three months after completion of the program.** This is well over the 60 percent target set by PKSF to the Training Institutes and well over national youth labor force participation rates- 54.9% and 26.3% for male and female youth respectively in 2017 (World Bank 2019). Female beneficiaries have a higher employment rate at 81 percent compared to male beneficiaries at 76 percent. However, certain trades have a lower employment rate than others (Figure 12). 60 percent for Outsourcing (ICT) and 69 percent for Mobile Servicing compared to an average of 80 percent for the remaining trades. Given the prevalence of self-employment among beneficiaries in these trades, some of this unemployment could be temporary as beneficiaries arrange capital and set up their business.

**Figure 7: Employment rates are high on average, but vary across trades**

Employment rates of program beneficiaries, by trade and gender



Source: PKSF Administrative Data

**The lack of large industry recruiters in some trades contributes to the difference in employment rates across trades.** For Mobile Servicing, most wage employment hires were into smaller shops which hired one beneficiary on average. Breaking this down by organization, we see that 66 percent of wage employed beneficiaries from Mobile Servicing were hired into small shops (Figure 13). 34 percent were hired by mobile companies such as Panasonic and Samsung, which hired six-seven beneficiaries on average. This gap in industrial demand for labor makes wage employment more challenging in this sector.

**For Outsourcing, 60 percent of wage employed beneficiaries were hired directly by the Training Institute while the rest were hired by smaller firms, each hiring one beneficiary on average.** While the transition into wage employment can be smoother when hired directly by the TI, employment opportunities are limited to the TI’s capacity to hire. The lack of a broader employer pool may have contributed to the low employment rate in this sector.

**Figure 13: In trades with low employment rates, the primary recruiters are small shops**  
Types of recruiters for Mobile Servicing and Outsourcing (ICT)



Source: PKSF Administrative Data

**The preference for wage or self-employment varies significantly by trade and gender.** 79 percent of female beneficiaries currently employed are self-employed. The trend is reversed for male beneficiaries where only 28 percent of employed male beneficiaries are self-employed. Beneficiaries of Welding and Plumbing, with all male beneficiary cohorts, have a strong preference for wage employment. This is driven by the availability of high salaried roles in Bangladesh’s shipbuilding industry, which hires almost half of all Welding & Fabrication beneficiaries. Roles are also based in regional hubs which don’t require beneficiaries to migrate far from home.

**Certain trades are more conducive to self-employment than others.** For example, Web and Graphic Design services can be offered easily by independent small businesses across the country. The cost of setting up a business- a major barrier for those interested in self-employment- also varies by trade. This is reflected in the distribution of self-employment across trades, with a higher concentration in Fashion Garments, Web & Graphic Design, ICT, Mobile Servicing and Electrical Work.

**Female beneficiaries of Fashion Garments overwhelmingly prefer starting their own business to taking wage employment.** Beneficiaries highlighted two key reasons for this preference- the first is the perceived poor quality of jobs available in the garments industry and the second is a strong preference to work from home.

**Low salaries, high cost of living and distance from family make wage employment in garment industries an unattractive option for female beneficiaries.** The ready-made garments industry has been a major driver of large-scale job creation in Bangladesh and employs a significant number of women. Yet these jobs are low in social status; less schooled workers are hired with minimum on-the-job-training and often without a formal contract (Kabeer and Mahmud, 2004). The average monthly wage in the garments industry was Tk. 9200 in 2016- above the current minimum wage of Tk. 8000 per month (Farole and Cho, 2017). However, as Figure 8 shows, female beneficiaries of Fashion Garments who went into wage employment reported earning Tk. 7900 per month on average- 14 percent below the national average and below the current minimum wage. The low salaries are coupled with higher cost of living, since most female beneficiaries joining the ready-made garments industry migrate for their job.

**Female beneficiaries prioritize the ability to balance their responsibilities at home with work aspirations, which lead most to choose self-employment even though the monthly income, on average, is lower.** However, female entrepreneurs face patriarchal norms that affect their mobility, access to markets, networks and financial institutions. These norms keep female enterprises closely tied to the household, where the business is homebased, and activities remain informal, low value and with low returns (Solotaroff et al. 2019). Caregiving duties are prioritized in the household, which constrains female entrepreneurs from growing their business.

*“Suppose that I have a family. If I go to do a job separately, I cannot give much time to the family. [In self-employment], besides running my family properly I can do the business too.”- Female graduate in self-employment.*

### *Industry Feedback: Gaps and Challenges*

**Industry recruiters find beneficiaries' technical skills inadequate for the job.** Many highlight the short duration of the training (3-6 months) as insufficient for comprehensive technical training in the sector. Others highlight misalignment between their skills need and the training curriculum. For example, although beneficiaries may learn servicing electronic products, industry need may be in electronics production. As one recruiter mentioned:

*"We have a service team, but the [beneficiary] we will hire will be hired in production, not only for service. It will take one year's training before [he/she] can join the service team. We give them this training in the factory."- Industry Recruiter*

**Industries provide in-house training to all new hires and they find this training most useful since it is most tailored to their needs.** However, re-training can be a demotivating process for beneficiaries who have already spent months in training at the TIs.

*"[Beneficiaries] know how to make garments, but when they will go on the floor, then that will be chain production where speed becomes the main task. But they are slow. We have 10 in house training centers and we send them there. A disadvantage for this is that after 3/4 months training [at the TI], they expect to be operators, but they must do training again. So, they get frustrated."- Industry Recruiter*

**Curriculum updates are not keeping pace with technological advances in industry, which is a key challenge for the industry relevance of the training.** With rapid changes in industry, Training Institutes often use outdated machinery in the classroom. As a result, beneficiaries remain unfamiliar with the equipment used in factories and require additional training on the job.

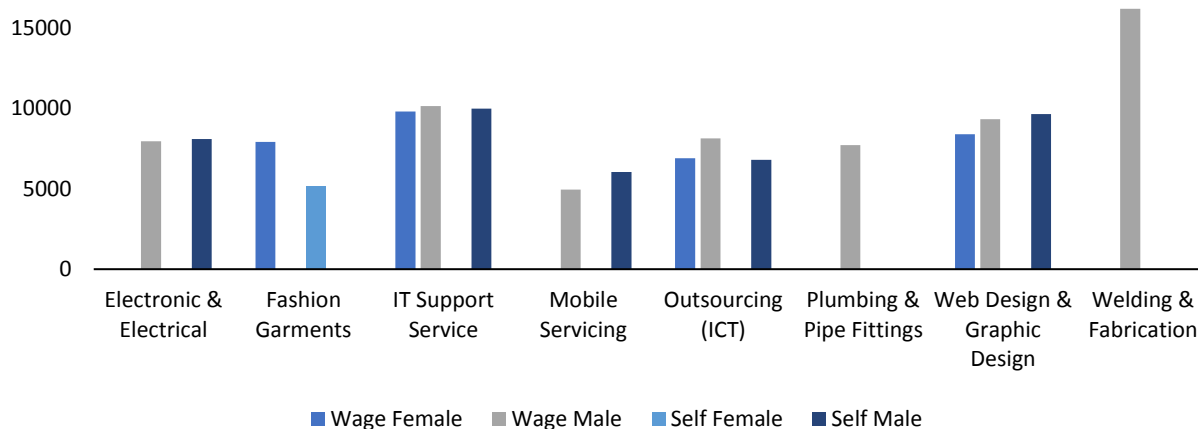
*"The core curriculum that they have, honestly, is not up to date. The machines we used before are becoming automatic. The way [the industry] is getting updated, their learning is not. So, when [the beneficiary] comes after training, he thinks I didn't learn this work; I won't do this. Thus, dropout is increasing."- Industry Recruiter*

### *Post-training Income Trends*

**Beneficiaries' average monthly income varies substantially by trade and gender (Figure 14).** The highest salaries were earned by beneficiaries of Welding & Fabrication, followed by IT Support Service. Salary differences between male and female beneficiaries are also significant, with females earning a lower salary for the same trade compared to men. Female beneficiaries of Outsourcing (ICT) and Web & Graphic Design in wage employment earn 15 percent and 10 percent less than their male counterparts respectively. Studies show that Bangladeshi women are systematically paid less than their male counterparts, and the gap is higher at the lower end of the wage distribution (Ahmed and McGillivray, 2015; Ahmed and Maitra, 2015). Female beneficiaries of Fashion Garments earn one of the lowest salaries among all trades in wage employment (Tk 7900 per month on average). The lowest salary is earned by beneficiaries of Mobile Servicing both in wage employment (Tk 4900 per month) and in self-employment (Tk. 6000 per month).

**Figure 8: Post-training income varies by trade, with female beneficiaries earning less than their male counterparts<sup>24</sup>.**

Average monthly wage, by trade and gender (BDT)



Source: PKSF Administrative Data

**For those in self-employment, demand for services and consequently income can have seasonal fluctuations.** For example, income for those in Fashion Garments is higher during festival season when more people are getting clothes stitched. Demand for electrical servicing may be higher in the summer when ceiling fans or air conditioners are being used more. In order to calibrate these income fluctuations, self-employed beneficiaries offer multiple services from their business. For example, those with Mobile Servicing shops also sell mobile phones, mobile phone parts and offer mobile banking services (PKSF 2019).

**Overall income trends indicate that the highest paid trades are male dominated.** Although some female beneficiaries have participated in high salary trades, the vast majority of them are concentrated in relatively lower salary trades like Fashion Garments. Only 9 percent of female beneficiaries opted for IT Support Services (second highest average monthly salary) while 86 percent chose Fashion Garments. As a result, women are disproportionately affected by the trade specific salary differences. At the same time, the lower wages that female beneficiaries in Fashion Garments earn compared to the national average and the minimum wage indicate shortcomings in the job-placement process. Training Institutes are not able to successfully transition female beneficiaries in Fashion Garments to good jobs.

<sup>24</sup> See Annex 3 for the spread of post-training income.



## 4. Conclusions and Recommendations

<b>CONCLUSIONS</b>	<ul style="list-style-type: none"> <li>• Program outreach is well aligned to the poor but not effective for female beneficiaries.</li> <li>• The training curriculum does not adequately or efficiently meet industry needs.</li> <li>• Beneficiaries transitioning to employment need a package of support services to facilitate the process.</li> </ul>
<b>RECOMMENDATIONS</b>	<ul style="list-style-type: none"> <li>• Develop outreach strategy specifically for female youth which addresses their unique barriers.</li> <li>• In addition to current offering, add trades which are perceived to be female-friendly.</li> <li>• Create a structured soft skills training module with assessment criteria.</li> <li>• Redesign curriculum to be more holistic and responsive to market needs.</li> <li>• Strengthen on-the-job learning through internships or apprenticeship programs.</li> <li>• Design a package of support services to connect different segments of youth to wage or self-employment in the domestic or international market.</li> </ul>

### 4.1 Outreach well aligned to the poor but not effective for female beneficiaries

**Youth from low income families have relatively low educational qualifications in Bangladesh, and PKSF's eligibility criteria make their programs more accessible to poorer households.** On average, youths from the bottom 20<sup>th</sup> income percentile have completed up to seventh grade (HIES 2016). However, minimum requirements for most short-term training programs are higher, which makes them inaccessible to many low-income youths. For example, SEIP implementation under the Bangladesh Association of Software and Information Services (BASIS) requires prospective beneficiaries to hold undergraduate degrees or diplomas in engineering.<sup>25</sup> In contrast, SEIP implementation under PKSF require fifth grade completion for most trades, and Secondary School Certificates for three trades. This has kept the program accessible to low income youth, as evidenced by the family income of beneficiaries. Most beneficiaries under PKSF's programs come from the bottom 40 percent of the income distribution in Bangladesh (Figure ). Outreach methods are also targeted to the poor. Training Institutes primarily use community meetings with their microcredit borrowers to conduct outreach, most of whom are also from low income families.<sup>26</sup>

**Current outreach methods, although pro-poor, are not effective for attracting female beneficiaries.** Female participation in the Training Institutes is very low, with high concentration in the Fashion Garments trade. Female youth face unique barriers to participating in labor market programs, including social norms, concerns about safety and mobility, and gendered perception of trades. Programs need to address these barriers through well-defined strategies to increase female participation. A recent study in Peru found that expanding commute options such as bus and rail increased female labor supply

<sup>25</sup> Details on BASIS programming requirements are at <http://seip.bitm.org.bd/>

<sup>26</sup> Microcredit products are targeted to the extreme or moderate poor. Since all Training Institutes have prior microlending operations, they have access to low-income families through their borrowers.

(Martinez et al. 2018). Another study found positive effects of having a female role-model or mentor (Lafortune et al 2018). Interventions could be built on such global evidence and tested in Bangladesh through labor market programs.

*Recommendations:*

- Develop outreach strategy specifically for female youth which addresses their unique barriers.
- In addition to current offering, add trades which are perceived to be female-friendly.

#### 4.2 Curriculum does not adequately or efficiently meet industry needs.

**Labor market programs need to rebalance the emphasis between technical and soft skills development.** Labor market programs in Bangladesh have traditionally focused on short-term technical skills training as a means to improve employability. PKSF's SEIP training curriculum also focuses on technical skills based on core competencies for each trade. It is structured as a short-term vocational course, with classroom lessons, practical demonstrations and a short two-week internship at the end of the program. However, industry recruiters have varying levels of skills requirements when hiring, and not all are based on technical skills. For example, large industry recruiters looking to staff a production factory mentioned physical fitness and the ability to read instructions as the only hiring criteria<sup>27</sup>. At the same time, recruiters value the soft skills that beneficiaries bring and highlight that soft skills make beneficiaries more job-ready. In this context, the curriculum's emphasis on technical skills over soft skills for all industries, irrespective of needs, is not optimal. The findings also show that technical skills requirements are role specific, and not necessarily sector specific and curriculum design needs to address that to be more effective.

**Training-focused labor market can programs have significant impact on employment when combined with on-the-job training in industry (Shonchoy, Fujii and Raihan 2018).** TVET graduates who are currently employed highlight lack of industry exposure as a major barrier to finding employment (Dewan and Sarkar, 2017). The PKSF SEIP program includes two weeks of internship at the end of training which the beneficiaries highlighted as important but inadequate exposure to industry. According to beneficiaries, longer engagement with industry during the training would facilitate the learning process, which is consistent with research on apprenticeships and on-the-job learning.

*Recommendations:*

- Create a structured non-cognitive skills training module with assessment criteria.
- Redesign curriculum to be more holistic and responsive to market needs.
- Strengthen on-the-job learning through internships or apprenticeship programs.

#### 4.3 Package of support services needed to support transition to employment

**The broad evidence base for Bangladesh suggests that different segments of the youth labor force face different challenges and thus need different interventions, as illustrated by Table 4 (World Bank 2019).** Some groups may face one or two simple constraints, while others may be confronted with

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<sup>27</sup> Qualitative interviews.

multiple constraints that need to be removed simultaneously for any intervention to have an impact. For example, a female youth with low educational attainment faces a range of constraints from low cognitive and non-cognitive ability to social norms and security. Interventions to just improve her cognitive and non-cognitive abilities may then not be enough to improve labor market outcomes, since she would still be facing the binding constraints of social norms and security. In that vein, Kluge et al. (2019) found that programs that integrate multiple interventions are more likely to have a positive impact, especially in low-middle income countries. The high impact graduation programs in productive inclusion feature comprehensive packages of services - capital injection (productive asset transfer), training, counseling, provision of savings products, assistance for consumption smoothing, and health services (Matin et al. 2008, Banerjee et al. 2015).<sup>28</sup>

**Table 4: Framework to link LF segment, constraints and possible interventions**

<i>Constraint</i>	<i>Possible beneficiary group</i>			<i>Possible intervention</i>
	<i>All youth</i>	<i>+ low-educational attainment</i>	<i>+ female</i>	
Low non-cognitive ability	✓	✓	✓	Counseling, mentorship
Insufficient basic cognitive skills	✓	✓	✓	Second chance education; remedial education
Inefficient job-matching	✓	✓	✓	Better placement services; innovative use of ICT solutions;
Lack of entrepreneurial ability/knowledge	✓	✓	✓	Business management training; mentorship
Access to capital	✓	✓	✓	Micro-finance; cash grants for seed capital
Low productivity		✓	✓	On-the-job learning; informal apprenticeships
Social norms			✓	Community outreach, mentorship, self-efficacy
Care responsibilities			✓	Access to childcare
Security			✓	Safe transportation/housing

Source: World Bank 2019

**PKSF's current programs are already addressing some of these constraints, but there are specific areas where the programs can expand the packages of services for the ALMPs to have greater impacts.**

These areas, among others include job-matching, and support to become self-employed.

**Job matching is one of the core functions of the Training Institutes, and they have successfully placed over 60 percent of all beneficiaries in gainful employment.** TIs provide a range of support services to help facilitate the transition to wage employment, although this varies widely by Institute. Support ranges from informal counselling and interview preparations to more hands-on support with (domestic) migration logistics such as accommodation, transport and food. Given the success of these support

<sup>28</sup> Examples of labor market programs presented as packages of services can be found from around the world, including from Chile, Ghana, Jordan, Mexico, Kenya, Senegal, South Africa, and Togo, *inter alia*.

services, a more holistic and structured service package can be scaled up across Training Institutes for transition to wage employment.

**Existing support for beneficiaries interested in self-employment is unstructured and varies greatly**

**between Training Institutes.** Primarily, TIs provide informal counselling sessions on setting up a business. Although beneficiaries find this support useful, they highlight remaining barriers which can be addressed by the TIs through a formal self-employment starter package. A self-employment starter package of services can have greater impact for beneficiary success. **According to beneficiaries, there are three key components of support that are currently lacking for self-employment:**

- *Access to seed capital, either in the form of grants or concessional loans with a grace period for repayments.* Although some training institutes connect beneficiaries to their microfinance products, they can only borrow to grow their business, but not to start it. This creates limitations for low-income youth who do not have access to other forms of seed capital.
- *Ongoing mentorship, either directly from the TI or from past beneficiaries who have successfully started a business.* This could be a more structured version of the informal counselling sessions currently offered, which beneficiaries value for guidance. Studies also show that mentoring is beneficial to youth entrepreneurship (Shittu, 2017) and can influence the entrepreneurial intentions of young people through socio-emotional development, cognitive development and identity development (Rhodes and DuBois, 2008).
- *Non-cognitive entrepreneurship training.* Modules in these areas modules could help beneficiaries prepare themselves for self-employment. A recent intervention in Togo (Campos et al., 2017) found that a personal initiative training program<sup>29</sup> for microenterprise owners increased firm profits by 30 percent. Although there is currently an unstructured non-cognitive, or soft skills component to the training program, those interested in self-employment could benefit from an entrepreneurship specific soft-skills module.

*Recommendations:*

- Design a package of support services to connect different segments of youth to wage or self-employment in the domestic or international market.

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<sup>29</sup> The personal initiative training focused on teaching self-starting behavior, innovation, identifying and exploiting new opportunities, goal-setting, planning and feedback cycles.

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## Annexes

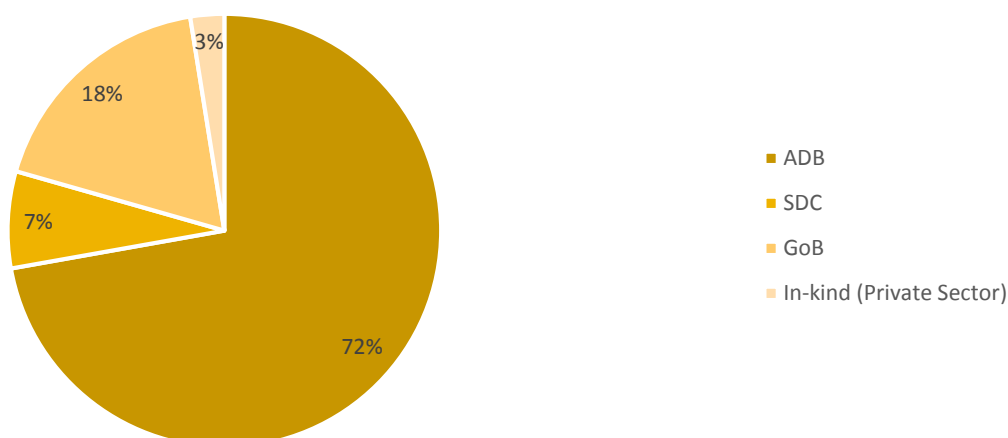
### Annex 1: Skills for Employment Investment Program (SEIP)

The Government of Bangladesh created the National Skills Development Council (NSDC) under the National Skills Development Policy (NSDP) 2011, which emphasized the need for quality human resources with adequate skills to tackle industry demand. In this effort, GoB established the National Technical Vocational Qualifications Framework (NTVQF) and the National Skills Quality Assurance System (NSQAS) following the recommendation given by the NSDP. NSDP's mandate is to better match the current Technical and Vocational Education and Training (TVET) programs with industry skills demand, reform the TVET management, certification and monitoring.

However, given TVET reform's lengthy procedure, 22 ministries and divisions of GoB is currently implementing training program initiatives to tackle the immediate skill-gap issues. To facilitate this initiative of reducing skill-gap, Asian Development Bank (ADB) under a "Multi-tranche Financing Facility" (MFF) provided financing along with Swiss Agency for Development and Cooperation (SDC). GoB and other private sector in-kind contribution have also supported this initiative, which is officially known as "Skills for Employment Investment Program (SEIP)". For the "Tranche -1" of SEIP, which lasts from 2014-18, a combined funding of 138.5 million USD has been pooled by the GoB, of which 72.2 percent is contributed by ADB, 7.2 percent by SDC, 18 percent by the GoB and the rest is contributed by the private sector.

SEIP Tranche -1 targets to finance training of 260,000 individuals with direct job placement for 182,000 (about 70 percent) as well as development of vocational trainer program and skills assessment, certification and quality assurance of the beneficiaries. SEIP has been organized by the Finance Division of the Ministry of Finance, who established "Skill Development Coordination and Monitoring Unit" (SDCMU) to supervise the activity. SEIP Tranche -1 is executed by three ministries; Ministry of Expatriate Welfare, Ministry of Education and Ministry of Industries. Five separate agencies under various ministries are responsible for SEIP implementation, which are: (i) Directorate of Technical Education (DTE); (ii) Bureau of Manpower, Employment & Training (BMET); (iii) Bangladesh Industrial and Technical Assistance Centre (BITAC); (iv) National Skills Development Council Secretariat (NSDCS); and (v) Bangladesh Technical Education Board.



**Figure A1. Source of fund of SEIP (Tranche-1).<sup>30</sup>**

Along with Central Bank of Bangladesh, twelve industry associations, five public institutes, Swisscontact,<sup>31</sup> and PKSF<sup>32</sup> are also involved in the project implementation. The detailed list of all the associated partners involved in this initiative are listed in Table A1.

In order to address the immediate skill-gap issue, six sectors have been prioritized:

- Readymade Garments (RMG) and Textiles
- Constructions
- Information and Technology (IT)
- Light Engineering/Manufacturing
- Leather and Footwear
- Shipbuilding

Beneficiary targets have been given to different sectors, with industry associations and private sectors getting the largest share (192,400 beneficiaries), followed by Public sector (47,400 beneficiaries), Bangladesh Bank SME (10,200 beneficiaries) and PKSF (10,000 beneficiaries). Training centers— public, private and industry association operated—are located in various parts of the country covering almost all districts of Bangladesh. The SEIP financing is designed to cover the cost of training materials and instructor costs, hiring of training institute (need basis), stipend for beneficiaries (maximum 3000 BDT per month),<sup>33</sup> salary for the job placement officers, and funding for monitoring, tracing and data-base management. To coordinate these activities among the training providers and to play a leadership role

<sup>30</sup> Source: <http://seip-fd.gov.bd/about-us-2/>

<sup>31</sup> The three-year project is funded by Chevron under the Bangladesh Partnership Initiative (BPI) and being implemented by Swisscontact. To know more about the project, check the following link: <http://www.swisscontact.org/nc/en/country/south-asia/projects/projects-south-asia/project/-/show/uttoron-skills-for-better-life.html>

<sup>32</sup> PKSF is an apex development organization by GoB for sustainable poverty reduction.

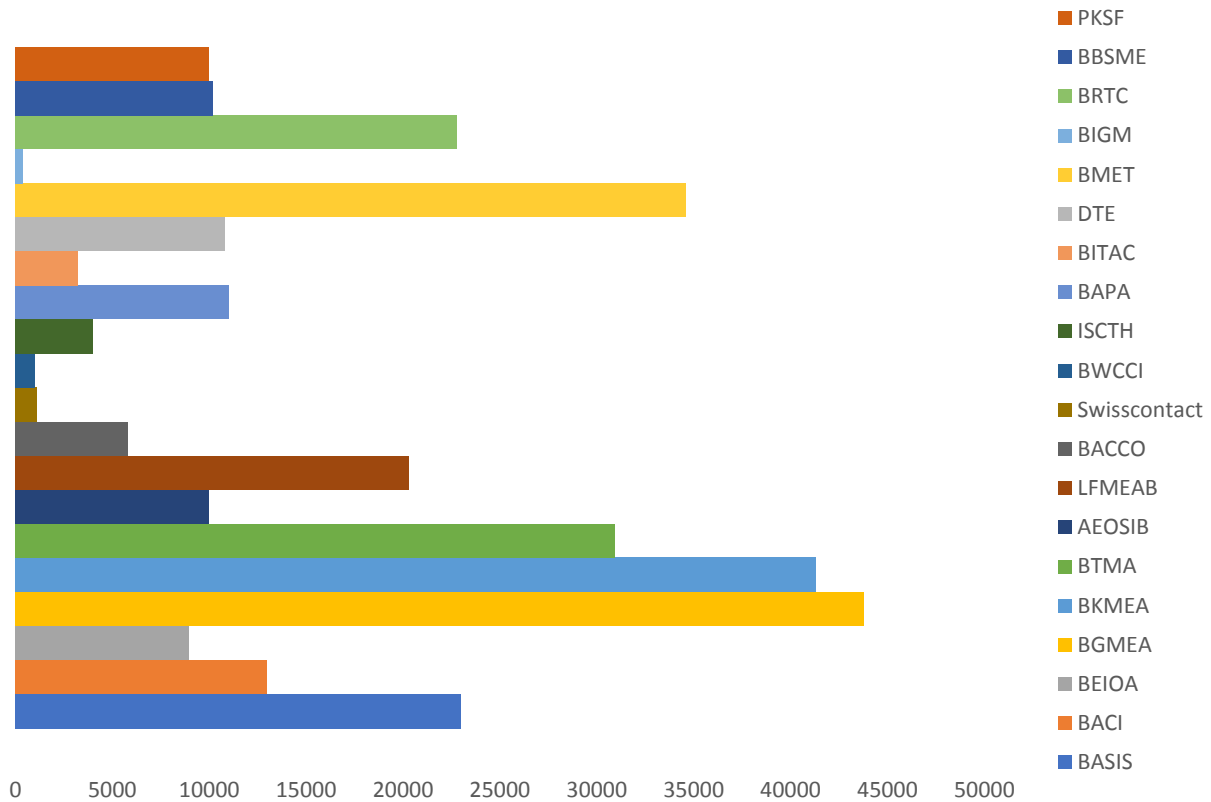
<sup>33</sup> For training provided under public institutes, stipend for a trainee is 1000 BDT during the months of training and 1500 BDT during the months of the “On-the-Job” (OJT) training. In case of BTMA and BEIOA, training allowances are BDT 1560 and BDT 1950, respectively. In the case of PKSF operated training programs, food and lodging cost are also being provided. For BBSME, only food cost is given.

on skill development issues, The Industry Skill Councils (ISCs) are being established for each of the priority six sectors.

**Table A1. Complete list of SEIP Partners**

<i>Type of Entity</i>	<b>Name</b>	
<i>Private</i>	BASIS (Bangladesh Association of Software and Information Services)	
	BACI (Bangladesh Association of Construction Industry)	
	BEIOA (Bangladesh Engineering Industry Owners Association)	
	BGMEA (The Bangladesh Garment Manufacturers and Exporters Association)	
	BKMEA (Bangladesh Knitwear Manufacturers & Exporters Association)	
	BTMA (Bangladesh Textile Mills Association)	
	AEOSIB (Association of Export Oriented Shipbuilding Industries of Bangladesh)	
	LFMEAB (Leathergoods And Footwear Manufacturers & Exporters Association of Bangladesh)	
	BACCO (Bangladesh Association of Call Center and Outsourcing)	
	Swisscontact	
	BWCCI (Bangladesh Women Chamber of Commerce & Industry)	
	ISCTH (Industrial Skills Council on Tourism and Hospitality)	
	BAPA (Bangladesh Agro-Processors' Association)	
	<i>Public</i>	BITAC (Bangladesh Industrial Technical Assistance Center)
		DTE (Directorate of Technical Education)
BMET (Bureau of Manpower Employment and Training)		
BIGM (Bangladesh Institute of Governance and Management)		
BRTC (Bangladesh Road Transport Corporation)		
<i>Others</i>	BBSME (Bangladesh Bank SME)	
	PKSF (Palli Karma-Sahayak Foundation)	

Figure A2. Beneficiary targets by organization



The training materials and course curriculum are developed based on industry demands; requirements align with competency-based standards (CBT) reflecting NTVQF objectives. Each training program is accredited with Bangladesh Technical Education Board (BTEB) and designed keeping in mind both “on-the-job” and “off-the-job” components. Special emphasis has been given in the training module to include the laws and regulations concerning occupational health and safety, and workplace conditions (like factory compliance). Moreover life-skills modules are also introduced in the curriculum which cover teamwork, communication and technology use. Industry endorsement of the training program has been made a mandatory component to receive financing. A module for enterprise development for self-employment is also integrated in the curriculum, targeting those who wants to become an independent contractor.

To achieve the target-oriented outcome of the SEIP project, Skills Development Coordination and Monitoring Unit (SDCMU) has been established to track output-based milestones for performance and spending. SEIP indicated four milestones for this:

- Enrollment of targeted beneficiaries
- Successful completion of the training
- Job placement for completers within 6 months
- Retention in jobs for 6 months

One of the key objectives of SEIP (Tranche-I) is to develop trainers, industry assessors and operational managers to assist in future skill-gap based training interventions required by the ISCs, BTEB and NTVQF.

The target is to train 320 trainers, 50 industry assessors and 32 principals/managers to support public sector training initiatives as well as 1000 trainers, 250 industry assessors and 60 managers for the training programs operated by private sectors and industry associations.

## Annex 2: Methodology

### Process Evaluation

The Youth Employment Programs Process Evaluation aims to understand the relative importance of different elements of SEIP, as implemented by PKSf. To this end, the key research questions are:

1. What are the key drivers and barriers to effectively achieving program objectives?
2. What is the relative importance of different elements of an Active Labor Market Program, especially for high performance programs in a) placement of young workers from high-poverty regions; b) female labor force participation and employment; and c) financial sustainability.

This study uses a mixed-methods approach to answer the research questions. First, it uses beneficiary level administrative data to create profiles and performance indicators for the sampled Training Institutes. Second, it uses qualitative interviews to understand the reasons behind differing performance of each of the Training Institutes along the four components of the training process:

- Targeting, Eligibility and Verification
- Training and Financing
- Job Placement
- Post training income and stability

### Sampling Process

The sampling process was conducted at two levels. First, PKSf selected 5 Training Institutes out of their 21 implementing partners for this evaluation. These 5 Training Institutes had the lowest female beneficiary dropout rate and the highest job placement rates among all implementing partners. The 5 Training Institutes are listed in Table A2.

**Table A2: Training Institutes**

	<b>Training Institute</b>	<b>Branches</b>
<b>1</b>	UCEP	Barisal, Chittagong, Dhaka, Gazipur, Khulna, Rajshahi
<b>2</b>	Wave Foundation	Chuadanga
<b>3</b>	Eco Social Development Organization (ESDO)	Lalmonirhat, Thakurgaon
<b>4</b>	Udoy	Habiganj, Tangail
<b>5</b>	Bangla German Samprity (BGS)	Cox's Bazar, Rangpur, Tangail

Next, the research team used administrative data provided by PKSf on the selected Training Institutes to select the specific branch where qualitative interviews would be conducted. A number of indicators were used to compare the profile and performance of each TI branch.

The selection criteria focused on ensuring a diverse set of TI profiles, based on the indicators presented above.

**BGS:** Although the three branches were similar across multiple indicators, the Cox’s Bazar branch had the highest self-employment rate (83 percent) compared to Rangpur and Tangail (15 percent each). It also included an all-female beneficiary cohort and had the highest overall employment rate (97 percent) among the three branches.

**ESDO:** Among the two ESDO branches, Thakurgaon had a higher percentage of minority students (12 percent) compared to Lalmonirhat (4 percent). Thakurgaon also had female beneficiaries whereas Lalmonirhat had none. In addition, the average monthly income of beneficiary graduates from Thakurgaon was higher compared to Lalmonirhat.

**UCEP:** Among the five TIs, UCEP had the highest number of branches implementing SEIP- 6 throughout the country. The average monthly income of graduates from the Barisal branch was substantially higher than those from other branches (Tk. 11000 per month). The employment rate in Barisal was also very high (92 percent), with all graduates opting for wage employment.

**Udoy:** Students from the Habiganj branch had the lowest employment rate among all TI branches (69 percent), and a lower average monthly income (Tk 5000 per month). The Habiganj branch also had no female beneficiaries.

Based on the varying profiles, the research team selected the follow Training Institute branches for qualitative interviews:

1. UCEP Barisal
2. Wave Foundation Chuadanga
3. ESDO Thakurgaon
4. Udoy Habiganj
5. BGS Cox’s Bazar

### *Qualitative Survey Respondents*

The research team visited 5 Training Institutes and conducted in-person interviews (Focus Group Discussions, and Key Informant Interviews) with the respondents described in Table A3. At the Training Institute level, a total of 19 interviews were completed with 103 respondents. For groups with 2 or fewer respondents, interviews were conducted as Key Informant Interviews. In KIIs, each respondent provided in depth responses to all questions. For groups with 3 or more respondents, the interview was conducted as a Focus Group Discussion. Except for BGS Cox’s Bazar, all respondents were currently in-training or employed by the Training Institute. At BGS, past beneficiaries were interviewed since there was no training session ongoing at the time of the interview. In addition to the interviews at each Training Institute, the research team conducted 23 in-person and telephone interviews (KII) with respondents listed in Table A4.

**Table A3. Qualitative Interview Respondents, Training Institutes**

<b>Training Institute</b>	<b>District</b>	<b>Respondent</b>	<b>Interview Type</b>	<b>Number of respondents</b>
<b>UCEP</b>	Barisal	Beneficiary (Male)	FGD	10
		Trainers	FGD	2
		Training Institute Manager & Job Placement Manager	KII	2
<b>Wave Foundation</b>	Chuadanga	Beneficiary (Male)	FGD	10
		Beneficiary (Female)	FGD	10
		Trainers	FGD	5
		Training Institute Manager and Job Placement Manager	KII	2
<b>ESDO</b>	Thakurgaon	Beneficiary (Male)	FGD	10
		Beneficiary (Female)	FGD	10
		Trainers	FGD	6
		Training Institute Manager and Job Placement Manager	KII	2
		Executive Director	KII	1
<b>Udoy</b>	Habiganj	Beneficiary (Male)	FGD	10
		Trainers	FGD	4
		Training Institute Manager and Job Placement Manager	KII	2
		Executive Director	KII	1
<b>BGS</b>	Cox's Bazar	Beneficiary (Female)	FGD	12
		Trainers	FGD	3
		Training Institute Manager	KII	1

**Table A4. Qualitative Interview Respondents, National**

<b>Respondent</b>	<b>In-person or Telephone</b>	<b>Number of interviews</b>
<b>PKSF SEIP Management Team</b>	In-person	1
<b>Industry Partners</b>	In-person and telephone	5
<i>Industries: Food, Manufacturing, Garments, Construction, Shipbuilding</i>		
<b>Beneficiary Dropouts (Male)</b>	Telephone	3
<b>Beneficiary Dropouts (Female)</b>	Telephone	1
<b>Graduates in Wage Employment (Male)</b>	Telephone	3
<b>Graduates in Wage Employment (Female)</b>	Telephone	2
<b>Graduates in Self Employment (Male)</b>	Telephone	3
<b>Graduates in Self Employment (Female)</b>	Telephone	2
<b>Graduates Unemployed (Male)</b>	Telephone	1
<b>Graduates Unemployed (Female)</b>	Telephone	2

#### *Data Collection and Analysis*

Data collection, comprising of in-person and telephone interviews, was completed by the research team between February – March 2019. All interviews were confidential and conducted in Bengali. With the prior consent of respondents, all interviews were recorded, transcribed verbatim in Bengali and later translated to English. To ensure consistency of the final transcripts, the research team checked the audio, Bengali transcript and the English translation of a random sample of transcripts prior to analysis.

The research team used Stata (quantitative data analysis software) to analyze the administrative data and Atlas.ti (qualitative data analysis software) for analyzing the interview transcripts. All transcripts were coded on emerging themes and the final tallies along the themes have been used to extract key findings in this report.

#### *Data Constraints and Limitations*

Due to time constraints, it was not possible to interview beneficiaries from all trades offered through SEIP. As a result, the findings presented in this report may not be representative of all beneficiaries in the program. Similarly, not all Training Institutes had female beneficiaries. As a result, female beneficiaries are not equally represented in the sample (32 female beneficiaries interviewed compared to 40 male).



The interviews with past beneficiaries have been conducted over telephone. Since contact details can change, it was not possible to reach the full sample of past beneficiaries. At the same time, employment status of some beneficiaries has changed, so those sampled under the unemployed category may be currently employed. In such cases, the beneficiaries have been grouped under the relevant employed category.

## Annex 3: Beneficiary post-training income distribution

**WAGE EMPLOYMENT**

	Female			Male		
	p25	mean	p75	p25	mean	p75
<i>Electronic &amp; Electrical</i>	-	-	-	7000	7955	8000
<i>Fashion Garments</i>	6000	7913	9000	-	-	-
<i>IT Support Service</i>	8000	9804	11000	7000	10159	11000
<i>Mobile Servicing</i>	-	-	-	3000	4962	6500
<i>Outsourcing (ICT)</i>	6800	6900	7000	7000	8137	8000
<i>Plumbing &amp; Pipe Fittings</i>	-	-	-	7500	7732	8000
<i>Web Design &amp; Graphic Design</i>	7000	8400	10000	7000	9338	12000
<i>Welding &amp; Fabrication</i>	-	-	-	9000	16211	15500

**SELF EMPLOYMENT**

	Female			Male		
	p25	mean	p75	p25	mean	p75
<i>Electronic &amp; Electrical</i>	-	-	-	5500	8093	9500
<i>Fashion Garments</i>	4500	5141	6000	-	-	-
<i>IT Support Service</i>	-	-	-	8000	10000	12000
<i>Mobile Servicing</i>	-	-	-	5000	6053	7000
<i>Outsourcing (ICT)</i>	-	-	-	6000	6812	7000
<i>Plumbing &amp; Pipe Fittings</i>	-	-	-	-	-	-
<i>Web Design &amp; Graphic Design</i>	-	-	-	7000	9654	11000
<i>Welding &amp; Fabrication</i>	-	-	-	-	-	-

Source: PKSF Administrative Data

## Annex 4: Questionnaires

### *Consent Note*

Greetings! My name is \_\_\_\_\_ and I am part of a research team working on the “Youth Employment Programs Process Evaluation”, a partnership between the World Bank and PKSf. The study aims to understand the relative importance of different elements of the Skills for Employment Investment Program, or SEIP. As part of this study, we are interviewing people who have participated in SEIP (as beneficiaries, trainers or in a different capacity), to understand more about the training process and their experience with it. Our objective is to understand ways to improve the training process and outcomes for all involved.

You have been selected for this interview due to your participation in SEIP. Your input is very valuable to us and will contribute to the lessons from this study. Please note that your responses will be kept confidential and will only be used for analysis by the research team. Your name will not be used in the report. For analysis purposes, we will keep an audio recording of the interview, which will only be available to the research team. You are free to end the interview at any time or refuse to answer any question that you choose. The interview will take roughly [MENTION TIME] minutes.

Do you have any questions for us?

Are you willing to participate in this interview?

**[End interview if response is “No”]**

*FGD: Beneficiaries (Male, Female)*

### Targeting, Eligibility and Verification

1. How many of you were working and earning prior to joining this Institute?
  - a. Did you face any barriers in accessing the job market previously? Can you elaborate?
  - b. What drew you to this Training Institute? What do you hope to gain from this program?
2. How did you find out about this Training Institute and program?
  - a. Did you know what the selection criteria was? Can you explain it to me?
  - b. How did you get more information about it?
3. Can you describe the application process for me?
  - a. What did you find challenging in the process?
  - b. What would you change about this process?

### Training and Financing

4. According to you, what are the most important things you need to learn to achieve your professional goals (like getting a job, starting a business, etc.)?
  - a. Does the course, as it currently stands, sufficiently address these needs?
  - b. If I were to change your curriculum today, what changes do you think would help you the most?
  - c. Which aspect of the training curriculum do you find most useful at this Institute?

Job Placement

5. For those of you looking for a salaried job- what kind of resources are available to you here at the Institute that will help you get a job after the training?
  - a. What kind of support do you think would help you find a good job?
  
6. Where do you expect to get a job- at home district, close to the TI location, a different place, like the city, abroad?
  - a. Would you migrate temporarily (within BD or internationally) for a job?
  - b. What are some barriers to migration for you?
  
7. For those of you looking to start your own business- what kind of resources are available to you here at the Institute that will help you start your own business?
  - a. What other kind of support do you think would help you start your business after this training?

Increased Income and Stability

8. I want to revisit the barriers to employment that you mentioned earlier. Do you think this training program removes those barriers? Please elaborate.
  - a. Do you have any final suggestions about how the training process can be improved to better enable you to succeed professionally?

*FGD: Trainers*

Course taught	Education level	Years of industry experience	Years of teaching experience	Do you currently have employment outside this TI?

Targeting, Eligibility and Verification

1. Can you describe how this Training Institute does outreach to prospective students?
  - a. How does it reach prospective beneficiaries in remote areas? From low-income families? From disadvantaged groups?
  - b. How does it reach prospective female beneficiaries who may face other barriers to join the TI? Any special measures in place?
  
2. Can you describe the admission process?
  - a. What are the eligibility criteria? How is this verified?
  - b. Have students been turned away? Elaborate on causes.

Training and Financing

3. What motivated you to start teaching here?
  - a. Can you describe your application and selection process to become a trainer?
  - b. Did you receive any onboarding or training before teaching here?

4. Can you describe how the curriculum is structured? Division between theory and practical?
  - a. What aspects of the curriculum would you change to improve the process?

#### Job Placement

5. What do most students do after certification?
  - a. Is there a link between the occupation/trade studied and the type of income activity (wage/self-employment)?
  - b. Where do most graduates take up jobs? Nearby, their home district? Do many migrate (within BD or internationally)? What are some barriers to their mobility? Different for men and women?
6. What kind of additional support do beneficiaries get from the TI for wage employment?  
*Note (probe): Resume writing, interview skills, networking skills, connection to industry*
7. What kind of additional support do beneficiaries get from the TI for self-employment?  
*Note (probe): Seed capital, developing business plan, networking skills, raising capital*

#### Increased income and stability

8. Do you think students graduating from this TI have increased income and stability after graduating?
  - a. Can you name a few additional measures that the TI can take to ensure higher income and stability post training?

#### *FGD Training Institute Manager and Job Placement Manager*

#### Targeting, Eligibility and Verification

1. Can you describe how this Training Institute does outreach to prospective students?
  - a. How does it reach prospective beneficiaries in remote areas? From low-income families? From disadvantaged groups?
  - b. How does it reach prospective female beneficiaries who may face other barriers to join the TI? Any special measures in place?
2. Can you describe the admission process?
  - a. What are the eligibility criteria? How is this verified?
  - b. Have students been turned away? Elaborate on causes.

#### Training and Financing

3. How do you select trainers? What are the criteria, and is there an orientation and training for them?
4. Can you describe how the curriculum is structured? Division between theory and practical?
  - a. If you were asked to suggest ideas that could improve the curriculum, what would you recommend?

5. How do you ensure teaching and learning quality at this Institute? Are there any monitoring measures in place?
  - a. Is there a reporting structure between this branch and headquarters?

#### Job Placement

6. What do most students do after certification?
  - a. Is there a link between the occupation/trade studied and the type of income activity (wage/self-employment)?
  - b. Where do most graduates take up jobs? Nearby, their home district? Do many migrate (within BD or internationally)? What are some barriers to their mobility? Different for men and women?
7. What kind of additional support do beneficiaries get from the TI for wage employment?  
*Note (probe): Resume writing, interview skills, networking skills, connection to industry*
8. What kind of additional support do beneficiaries get from the TI for self-employment?  
*Note (probe): Seed capital, developing business plan, networking skills, raising capital.*
9. How do you create industry linkages or engagements to secure jobs for your beneficiaries?

#### Increased income and stability

10. Do you think students graduating from this TI have increased income and stability after graduating?
  - a. Can you name a few additional measures that the TI can take to ensure higher income and stability post training?
  - b. Do you track students' progress beyond the 3 months after graduating from your TI?

#### *KII Beneficiary Dropouts (interview over telephone)*

1. Can you tell us about your motivation to join the TI?
  - a. What were you doing before the training?
  - b. What motivated you to start?
  - c. What did you hope to achieve from it?
2. How was your experience at the TI?
  - a. Did you enjoy the curriculum? What did you like and what did you dislike?
  - b. If you could change anything about the training program, what would it be?
3. Why did you decide to leave the training program? Can you elaborate?
  - a. What would enable and encourage you to complete this training program?
4. What is your current employment status?
  - a. What have you done after dropping out of the TI?
  - b. Did you receive skills training from elsewhere?
  - c. How did you find your current job or business?

- d. Are you professionally where you want to be? Do you feel that you have income stability?
5. Are you currently based in your home district?
  - a. Would you migrate to another city or outside of Bangladesh if you found the right opportunity? *Note: Only ask this if he/she is currently in home district.*
  - b. What are some barriers for you to migrate?

*KII Graduates in Wage Employment (interview over telephone)*

Targeting, Eligibility and Verification

1. Were you working and earning prior to joining this Institute?
  - a. Did you face any barriers in accessing the job market previously? Can you elaborate?
  - b. What drew you to this Training Institute? What did you hope to gain from this program?

Training and Financing

2. According to you, what were the most useful aspects of your training process?
3. If you could change anything about your training process (curriculum, soft-skills training), then what would it be? That is, what could the TI do to be more useful to you?

Job Placement

4. How did the TI support you in securing your current job?
  - a. What additional support do you think they could provide?
5. Where is your current job- at home district, close to the TI location, a different place, like the city, abroad?
  - a. Would you migrate temporarily (within BD or internationally) for a job?
  - b. What are some barriers to migration for you and other beneficiaries?

Increased Income and Stability

6. Did the training program sufficiently support you to reach your professional goals? Why or why not?
7. I want to revisit the barriers to employment that you mentioned earlier. Do you think this training program removes those barriers? Please elaborate.

*KII Graduates in Self-Employment (interview over telephone)*

Targeting, Eligibility and Verification

1. Were you working and earning prior to joining this Institute?
  - a. Did you face any barriers in accessing the job market or starting your own business previously? Can you elaborate?
  - b. What drew you to this Training Institute? What did you hope to gain from this program?

Training and Financing

2. According to you, what were the most useful aspects of your training process?
3. If you could change anything about your training process (curriculum, soft-skills training), then what would it be? That is, what could the TI do to be more useful to you?

#### Job Placement

4. What motivated you to start your own business? How did you reach this decision?
5. Where is your business located- at home district, close to the TI location, a different place, like the city?
  - a. Would you migrate temporarily (within BD or internationally) for a job or for your business?
  - b. What are some barriers to migration for you?
6. How did the TI support you in starting your own business?
  - a. What additional support do you think they could provide? Can you elaborate?  
*Note: Discuss existing constraints faced by those in self-employment.*

#### Increased Income and Stability

7. Did the training program sufficiently support you to reach your professional goals? Why or why not?
8. I want to revisit the barriers to employment/entrepreneurship that you mentioned earlier. Do you think this training program removes those barriers? Please elaborate.

#### *KII Graduates currently Unemployed (interview over telephone)*

#### Targeting, Eligibility and Verification

1. Were you working and earning prior to joining this Institute?
  - a. Did you face any barriers in accessing the job market or starting your own business previously? Can you elaborate?
  - b. What drew you to this Training Institute? What did you hope to gain from this program?

#### Training and Financing

2. According to you, what were the most useful aspects of your training process?
3. If you could change anything about your training process (curriculum, soft-skills training), then what would it be? That is, what could the TI do to be more useful to you?

#### Job Placement

4. What kind of support have you received from the TI so far to find employment or start your own business?
  - a. What additional support do you think they could provide? Can you elaborate?



5. Assuming you continue looking for employment, where do you expect to get a job- at home district, close to the TI location, a different place, like the city, abroad?
  - a. Would you migrate temporarily (within BD or internationally) for a job?
  - b. What are some barriers to migration for you?

#### Increased Income and Stability

6. Did the training program sufficiently support you to reach your professional goals? Why or why not?
7. I want to revisit the barriers to employment/entrepreneurship that you mentioned earlier. Do you think this training program removes those barriers? Please elaborate.
8. What are your professional goals going forward?
  - a. Are you actively looking for work now? What steps are you taking for this?
  - b. How are you sustaining yourself during this period?

#### *KII Industry Partner*

1. How do you engage with Training Institutes that provide skills training?
  - a. Do you have a mandate to hire directly from them? Formal MoU?
  - b. What are the costs and benefits to partnering with a TI for your staffing needs?
2. Have you seen any tangible benefits to hiring graduates from Training Institutes?
  - a. Skills difference?
  - b. Productivity?
  - c. Ability to take on more responsibility?
  - d. Soft skills
3. Given current industry needs, what are the most important skills that you look for when hiring?
  - a. Does the average applicant have these skills? Where do you see the most mismatches?
4. Do you think up-skilling (sending current employees for additional training) is beneficial to your firm?
  - a. Have you partnered with a TI in the past for this?
5. How do you hire the bulk of your staff? Why is this your preferred method and why?
6. Broadly, do you have any suggestions on how curriculum at Training Institutes should be changed so that graduates are even more job-ready in your industry?

*FGD PKSF Team*

1. How do you select TI partners to implement the skills training and employment program? Can you talk through the process?
2. How do you measure success? What are the targets that you set for each TI to see if it has been successful or not?
  - a. How is this monitored and evaluated?
  - b. How do you work with TIs to ensure targets are being met?

Targeting, Eligibility and Verification of beneficiaries

3. Do you provide any guidelines to TIs for outreach to students?
  - a. How do TIs reach prospective beneficiaries in remote areas? From low-income families? From disadvantaged groups?
  - b. How do TIs reach prospective female beneficiaries who may face other barriers to join?
4. Do you provide any guidelines to TIs on the admission process?
  - a. What are the eligibility criteria? How is this verified?
  - b. Is there an alternate plan for students who could not be enrolled in a given batch?

Training and Financing

5. What are the criteria for testing and selecting trainers? Is there an orientation and training for them? What are PKSF's guidelines?
6. Can you describe how the curriculum is structured? Division between theory and practical?
  - a. How was this curriculum developed? Is it reevaluated periodically and updated?
  - b. If you were asked to suggest ideas that could improve the curriculum, what would you recommend?
7. How do you ensure teaching and learning quality at Training Institutes? Are there any monitoring measures in place?

Job Placement

8. What do most students do after certification?
  - c. Is there a link between the occupation/trade studied and the type of income activity (wage/self-employment)?
9. What kind of additional support do beneficiaries get from the TI for wage employment?  
*Note (probe): Resume writing, interview skills, networking skills, connection to industry*
10. What kind of additional support do beneficiaries get from the TI for self-employment?  
*Note (probe): Seed capital, developing business plan, networking skills, raising capital.*
11. What is PKSF's role in creating industry linkages to facilitate smooth jobs transitions for beneficiaries?