

Youth Employment Training Program

Lessons from Dominican Republic

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DO Youth Employment Training Program Objective

To improve employability of at-risk youth by building their work experience and life-skills



Program description



1. Classroom-based training (220 hours)
 - Vocational Training to promote a specific skills set (150 hours).
Training content agreed with local employers
 - Life skills training (75 hours): self-esteem promotion, conflict resolution skills, communication skills, etc
2. Apprenticeship in private companies (240 hours)
 - learning on the job 6 h per day during 8 weeks
 - Counseling with the training provider 4 hours per week (8 weeks)
3. Youth receive a daily stipend (US\$2/day to cover transportation cost)

Program description cont.

Targeted population

- Youth 16-29 years old
- Has not completed secondary school
- Is willing to be trained and work
- Is unemployed, sub-employed or inactive
- Belongs to the poorest 40% of households as per the Beneficiary Identification System for social programs (SIUBEN)



Impact evaluation-first phase

Experimental Impact Evaluation to evaluate the first phase of the program (with IADB support) measured **impact on employment, earnings, health insurance:**



- No significant impact of training on the likelihood of having a job (however, some regional differences)
- Higher wages for participants: 10% increase but not maintained over time
- Better quality of employment: higher coverage of health insurance conditional on employment
- Male teens (17-19) benefit most from the program
- Greater impact in urban areas, especially Santo Domingo

Other unintended impacts

- Increased **self-esteem** (62 % beneficiaries versus 38% controls)
- Participants more likely to **have used condoms** during the three most recent relations than control group
- Participant women 17-21 living in Santo Domingo **less likely to suffer from sexually transmitted diseases**
- Participation in the program decreased the likelihood of **participation in fights** in the 12 months preceding the survey
- The program decrease women's likelihood of being a **crime victim** when they complete the two steps of the treatment
- Young people have decreased the **consumption of alcoholic beverages** consumed during the past 4 weeks when they complete both the classroom phase and the internship

Lessons learned from evaluation that led to important changes in program design

- Increased emphasis on strengthening the link with the private sector
- Develop a new life skills module after reviewing best practices + develop manuals + training of instructors
- Better supervision during internship in firms: training institutes accompany the trainees during the internship

Lessons learned from evaluation that led to important changes in the design of the second phase, cont.

- Find alternative types of training for rural areas (including a pilot self-employment component)
- Training alone can not make for the opportunities lost by youth by dropping out of the education system prematurely → “second chance” education programs can increase chances for labor market insertion
- Accompanying training with other active labor market policies: job search assistance, job fairs, etc

Impact evaluation of second phase of program 2008-2011

Hypothesis tested:

Will examine whether the Youth Employment Program:

1. Increases the employment and earnings opportunities of program beneficiaries (at-risk youth);
2. Improves the quality of employment (i.e., wages, fringe benefits) of beneficiaries;
3. Reduces the extent of risky behaviors undertaken by at-risk youth through:
 - the development of employment opportunities that increase the cost of undertaking such behaviors, or through
 - a change in attitudes toward these behaviors induced by life skills training.

Evaluation design

- Randomized experimental design
- Sampling strategy: access to courses will be randomized across course applicants, based on excess demand for the courses.
- Of 35 eligible applicants
 - Group 1: Technical training+ life skills+ apprenticeship (20 of 35 applicants)
 - Group 2: Life skills + apprenticeship (5 of 35 applicants)
 - Group 3: Control group (5 of 35 applicants)
 - Group 4: Waiting list for group 1 and 2 (5 of 35 applicants)

Sampling Universe: 650 courses, 13,000 participants (20 per course)

	Sample size	
	Beneficiaries	Control
Group 1: Training + Life skills + internship	1560 (3 per course) Universe: 520 courses, 10,400 participants	1500 (3 per course) Universe: 1500
Group 2: Life skills + internship	1560 (12 per course) Universe: 130 courses, 2600 beneficiaries	
Total sample	3120	1560

Type of data collection used

Instrument	Target population	Rounds
Baseline	Universe	1
Life skills	Treatment	2
Satisfaction and re-contact	Treatment	1
Longitudinal telephone survey (10 questions)	Evaluation sample	3
Training institutes	Professor	1
Firms (telephone survey)	Internship coordinator	1
Follow up - households	Evaluation sample	1

Indicators selected for the impact evaluation

- Employment and earnings
- Quality of employment
- Education
- Risky behavior
- Life skills

Indicators selected collectively by government and development agencies¹³

Indicators selected for the impact evaluation

- Employment and earnings
 - Employment rate at 20 months after training
 - Number of hours worked
 - Earnings
 - Quality of employment: health insurance, social security, formal contract, duration
 - Employment history after graduation: movement in and out of employment

Indicators selected for the impact evaluation, cont.

- Education
 - Participation in second chance education programs EBA and PREAPARA
 - Participation in other forms of education

Indicators selected for the impact evaluation, cont.

- Risky behavior
 - Sexual activity and incidence of STD
 - Alcohol use/abuse
 - Substance abuse, including tobacco
 - Nutrition
 - Exercise/Fitness
 - Crime and violence

Indicators selected for the impact evaluation, cont.

- Life skills
 - Respect
 - Decision making capacity/ ability to solve problems
 - Critical thinking capacity
 - Creative thinking capacity
 - Responsibility
 - Emotions control
 - Communication
 - Conflict resolution
 - Self-esteem
 - Cooperation
 - Empathy

Challenges in evaluation

- **Changes in the program implementation**
 - Treatment group does not take/does not complete the program
 - Control group has access to other interventions
- **Externalities**
 - Other members of the family/ community might reduce their risky behavior or become motivated to participate in similar programs
- **Drop out**
 - Difficult to follow up the control group over a long period of time
- **Coordinating with the private sector**
 - Securing internship in companies that have vacancies

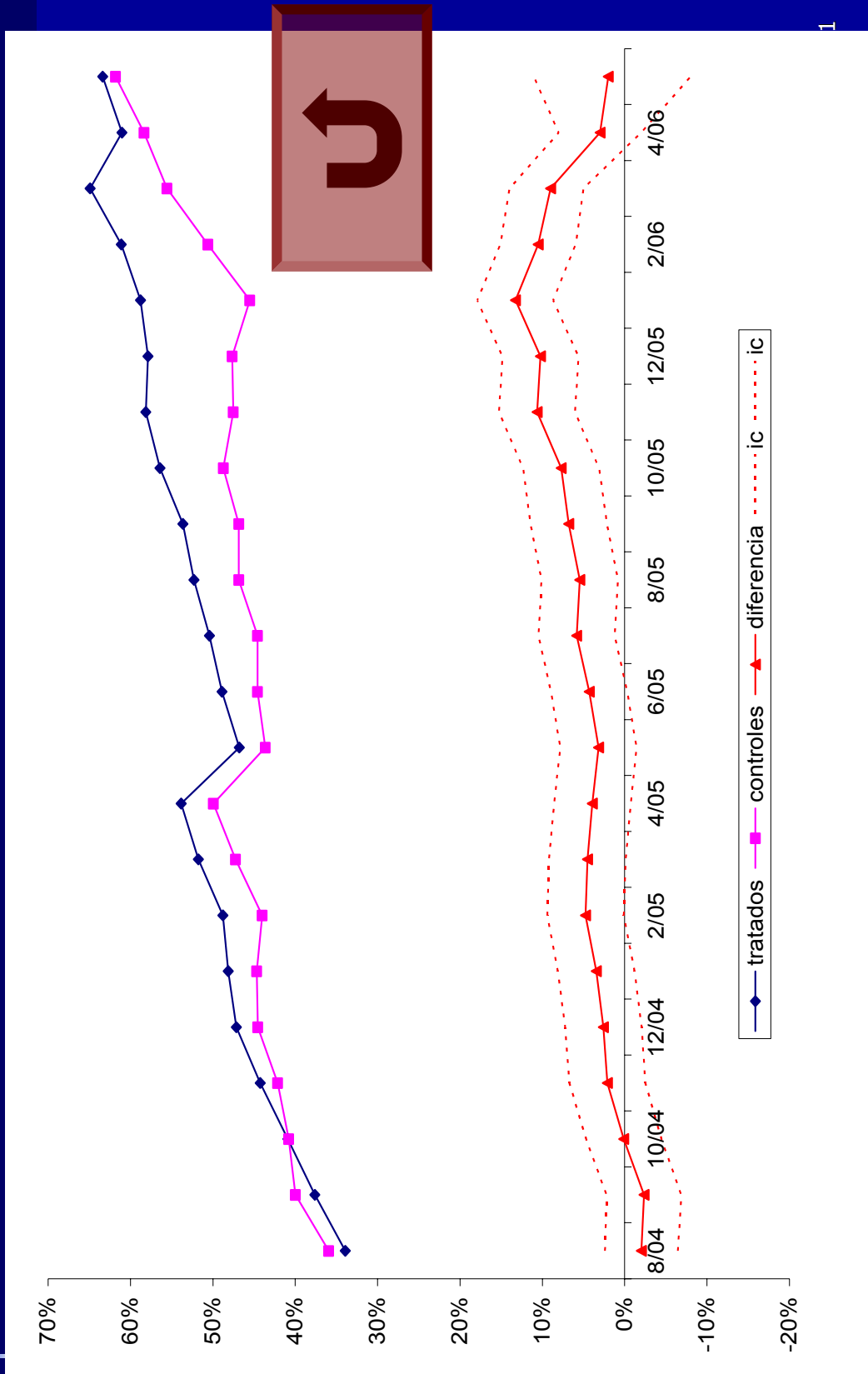
How can the challenges be overcome?

Change in the program design

- intensive monitoring of the participant in the program (longitudinal telephone surveys using Computer Assisted Telephone interviewing)
- 10% sample reserve
- Externalities
 - Proposal to carry out a separate investigation to understand the effect of the program on participants' friends
- Reducing drop out
 - Incentives (cell phone credit) for youth participating in telephone surveys
- Coordinating with the private sector
 - Adequate information campaign

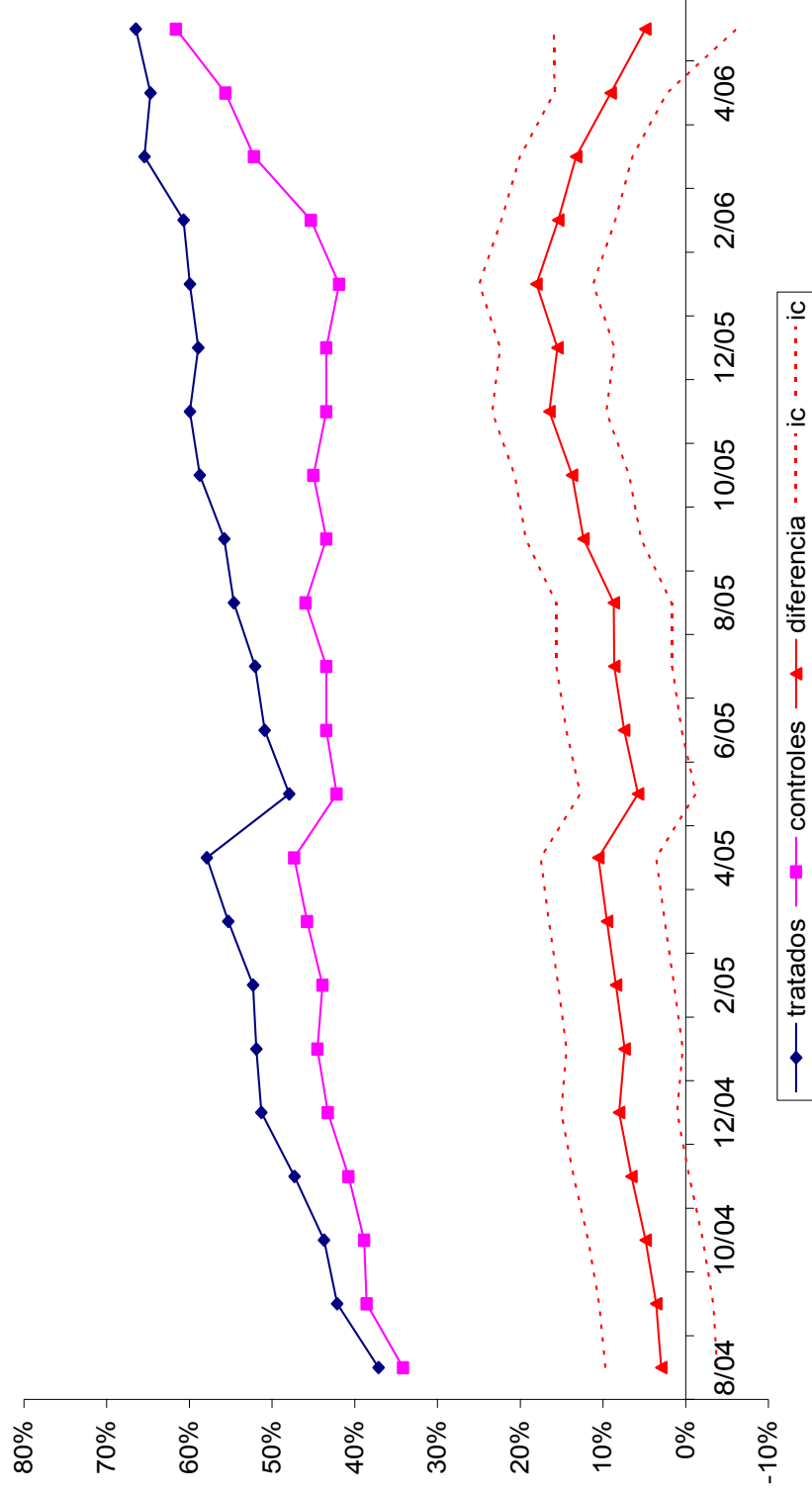
THANK YOU!

Impact of training on Occupation Rate: the difference between control and beneficiaries is insignificant overall



... but significant impact in some locations

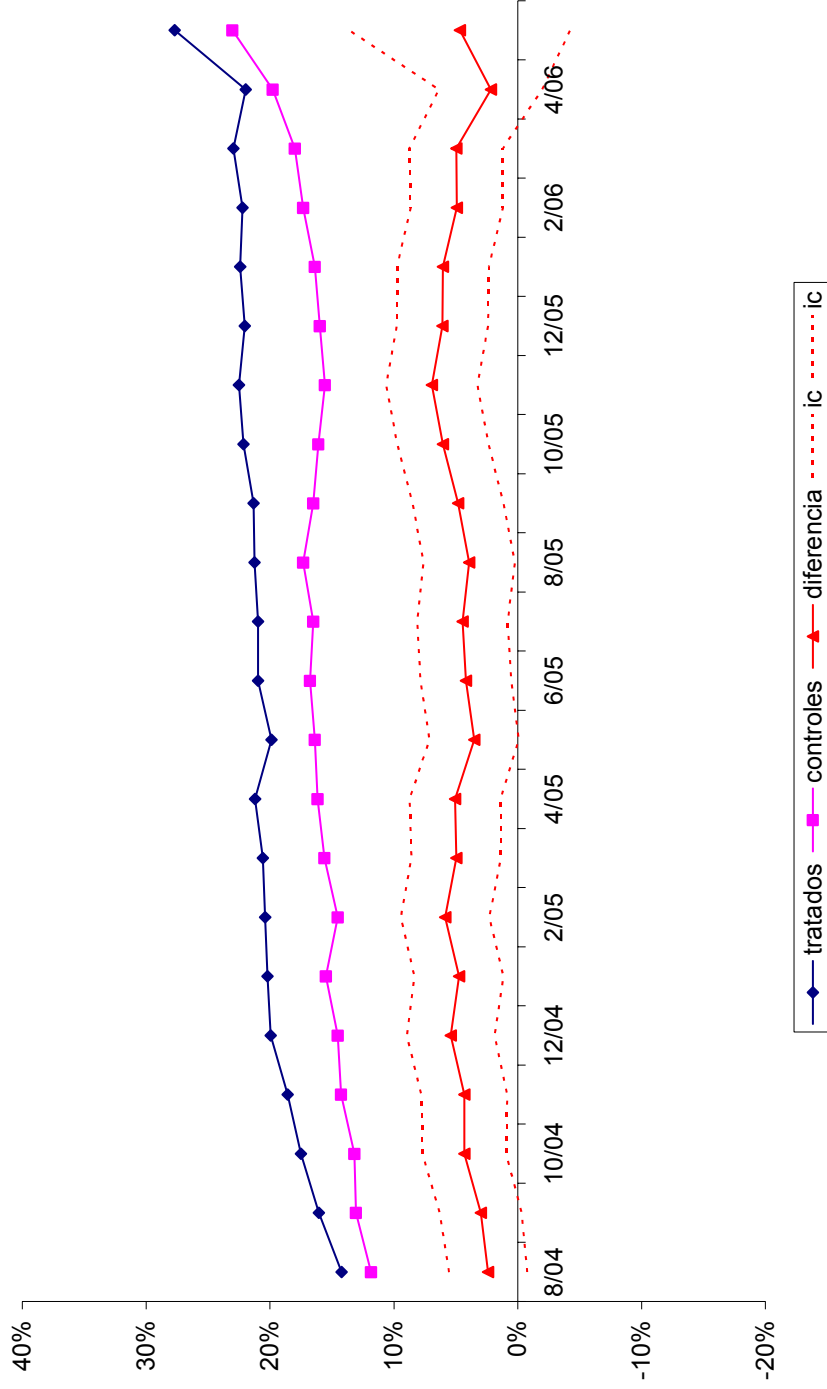
Occupation Rate: the difference between control and beneficiaries in Santo Domingo is significant



Impact on Medical Insurance affiliation

- The difference between the proportion of ensured and employed beneficiaries and controls is more than 5%
- This result is especially significant for men. Among women the difference is smaller and insignificant.
- The largest effect is observable in the east of the country (17.3%).

Impact on Medical Insurance Affiliation



Impact of program on Labor Income

- Participation in the Program has no significant effect on income level
- In the first evaluation, positive but not very precise impacts are observed. However, these effects have not been sustained during the second measure

	Beneficiaries	Controls	Difference	Margin of Error
Survey 1	\$3,236	\$2,742	\$494	\$215
Survey 2	\$3,829	\$3,589	\$240	\$222