Education to Employment: Designing a System that Works
Our ongoing global research covering 16 countries to date

- 2012 Survey
- 2013 Survey
- Country-specific analysis

150+ case studies covering 25 countries

- 10,000+ youth globally
- 5,000+ employers
- 1,500+ post-secondary education providers
Employers, education providers, and youth live in parallel universes.
Preparation of new graduates for the workforce

- Employers: 42%
- Providers: 72%
- Youth: 45%

% who agree youth are adequately prepared
A third of providers are unable to estimate job placement rates; those who do are too optimistic.
The education to employment journey is fraught with obstacles.
We have framed youth’s journey from education to employment in three “intersections”:

- **Enrollment**: Are enough youth being trained for the job market?
- **Finding a job**: Can young job seekers find open positions?
- **Building skills**: Is training giving youth the right skills?
How young people prefer to learn

<table>
<thead>
<tr>
<th>Most effective instructional techniques</th>
<th>Use of hands-on learning in Academic and Vocational institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>College grad or some college</td>
</tr>
<tr>
<td>On-the-job training</td>
<td>62%</td>
</tr>
<tr>
<td>Hands-on learning</td>
<td>58%</td>
</tr>
<tr>
<td>Multimedia</td>
<td>54%</td>
</tr>
<tr>
<td>Seminars</td>
<td>46%</td>
</tr>
<tr>
<td>Traditional lecture</td>
<td>30%</td>
</tr>
<tr>
<td>Online/distance learning</td>
<td>30%</td>
</tr>
</tbody>
</table>

Theoretical | Hands on
39% of employers say skills shortages are a leading driver of entry-level vacancies

<table>
<thead>
<tr>
<th>Country</th>
<th>Percent of Employers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turkey</td>
<td>56</td>
</tr>
<tr>
<td>India</td>
<td>53</td>
</tr>
<tr>
<td>Brazil</td>
<td>48</td>
</tr>
<tr>
<td>United States</td>
<td>45</td>
</tr>
<tr>
<td>Mexico</td>
<td>40</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>38</td>
</tr>
<tr>
<td>Germany</td>
<td>32</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>30</td>
</tr>
<tr>
<td>Morocco</td>
<td>12</td>
</tr>
</tbody>
</table>

Average: 39%

36% of employers also reported a lack of skills caused “significant problems in terms of cost, quality, and time” or worse.
Only one in two youth believe their education improved their chances of finding a job.

<table>
<thead>
<tr>
<th>Country</th>
<th>% of respondents agreeing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saudi Arabia</td>
<td>60%</td>
</tr>
<tr>
<td>Brazil</td>
<td>59%</td>
</tr>
<tr>
<td>India</td>
<td>54%</td>
</tr>
<tr>
<td>Germany</td>
<td>53%</td>
</tr>
<tr>
<td>Mexico</td>
<td>51%</td>
</tr>
<tr>
<td>Turkey</td>
<td>46%</td>
</tr>
<tr>
<td>Morocco</td>
<td>44%</td>
</tr>
<tr>
<td>United States</td>
<td>44%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>40%</td>
</tr>
</tbody>
</table>

Average: 50%
Complementary research provides additional color on employer perceptions

Key findings from The Economist-Lumina survey of US senior executives, 2014

- **45%** of employers worry that investing in training programs **will not directly benefit** their company.

- **50%** of US employers say that **lack of a clear positive return on investment** is a key barrier to them investing in education.

- **80%** of employers say that **ROI analyses** would improve the chances that they invested in education and training.
Innovative and effective programs around the world have important elements in common.
Based on our research, six components characterize a successful methodology for achieving youth employment:

1. **Focus on middle skill jobs** that are high scarcity or high churn

2. **Pre-guarantee jobs or apprenticeship slots** with consortiums of employers

3. **Define the 10% of skills** (behavioral, technical, and mindsets) that matter the most for the target profession’s daily activities and typical ‘breakdown moments’

4. **Create a modular work readiness training** that is short (e.g. 8-12 weeks), immersive, and highly simulation based; assess proficiency weekly based on demonstration

5. **Provide social support services** (e.g. childcare, transport, stipend) during training so that students focus fully on learning

6. **Track ROI** for employers (productivity, churn, career trajectory) and employees (e.g. financial and personal well-being) to prove impact
Engage youth early

20 construction companies participating

60 students selected annually

2 years tutoring in math and science from grade 11

1 year of paid work experience

45% receive tertiary scholarship

5 year ‘rebranding’ campaign
Run high productivity ‘bootcamps’

- 30 students per batch for 9 weeks
- 25+% with no post-secondary degree
- 90% placement rate
- 15,000 engineering positions annually
- 30% with non-engineering degrees
- 12 week program across 50 technology tracks
Huntington Ingalls, a ship building company, started its own training program called the “Apprentice School”

- 4-5 year program
- 780 apprentices as of 2011
- 19 courses, 90% hands-on learning
- 80% of graduates still employed at Huntington Ingalls 10 years after graduation
Partner with competitors

We now know what to expect when we get a résumé from someone from an AMTEC curriculum. It’s a validation.

"We now know what to expect when we get a résumé from someone from an AMTEC curriculum. It’s a validation."

- Nissan maintenance manager

Sector wide collaboration between automotive industry and providers in the US

30 community colleges
34 auto-related plants of top car makers
110 common competencies, developed by employers and taught by providers
Partner with allies

SME training consortium in South Korea led by a leading Telco player, SK elecom, to train its supply chain

21,000+ trained since 2006

300 business partners participating in 2012

100+ e-learning courses for technical and soft skills
Partner functionally

Functional collaboration on mechatronics skills across companies in non-competitive sectors in North Carolina

1 community college

8 manufacturers in different sectors

8000 hour program, split 50-50 between work and study

175K $/student for four year program
Change the delivery model: IL&FS Skills development corporation

India’s fast growing network of skill schools

350+ locations

100,000 trainees in 2012

85% placement rates

1,000+ partnerships with employers
A CALL TO INDIVIDUAL AND COLLECTIVE ACTION